

Consultation on Water Fees, Charges and Programs

The meeting will begin in a few minutes.
As you wait, please mute your audio.

Having audio issues? Switch from the “Use Internet for Audio” to “Call Me”

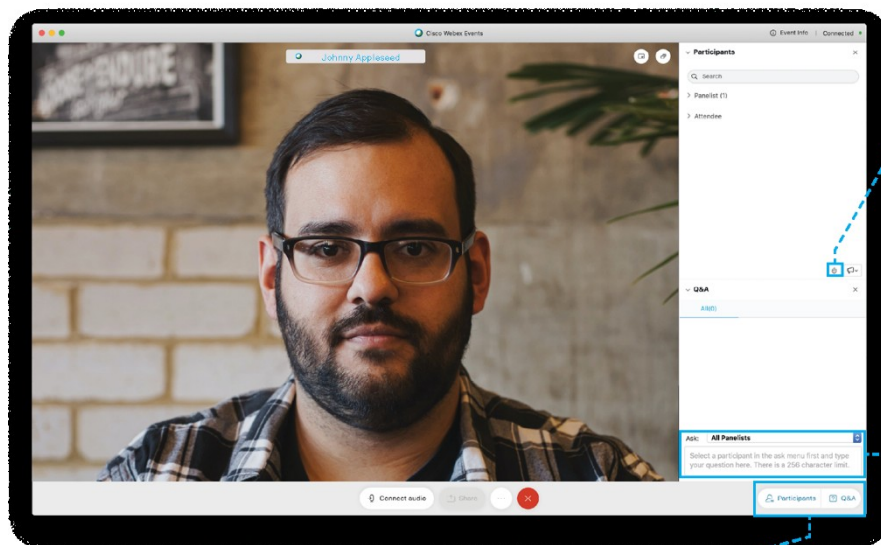
Meeting Recording

This meeting is being recorded for purposes of creating a meeting summary and will be shared with all meeting participants.

Land Acknowledgement

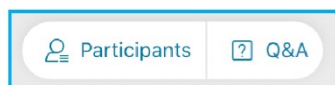
I would like to acknowledge the land we are on is the traditional territory of many nations including the Mississauga's of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 with the Mississauga's of the Credit.

Participating by Desktop and Laptop Computers



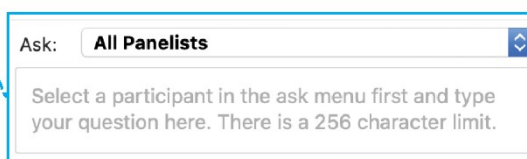
Raise your Hand: Submit a Verbal Question

- Press the icon to raise your hand.
- If selected, the Facilitator will say your name and unmute you.
- After your question is asked, the Facilitator will put you back on mute.
- Press the icon again to put down your hand.



Open the Participants and Q&A Panels

- Press to toggle between opening and closing Participants and Q&A Panels
- Opened
■ Closed



Q & A Box: Submit a Typed Question

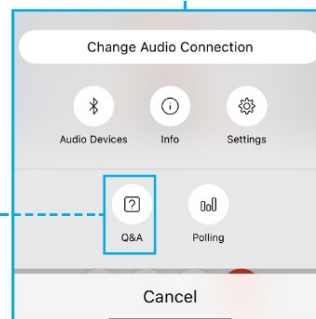
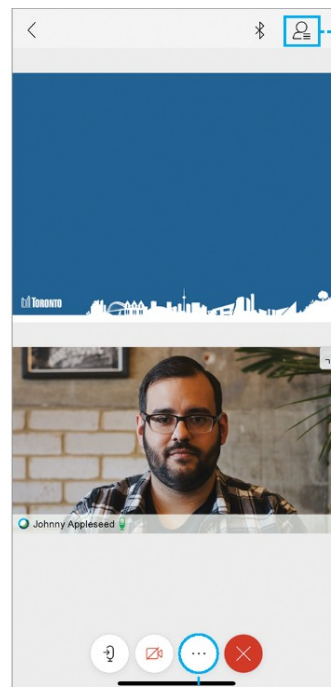
- Only staff will be able to see submitted questions.
- Ask questions to All Panelists.
- Your question will be redirected to a Panelist to answer verbally.

Participating by Smartphone and Tablets

Ask a Question >

Q & A Box: Submit a Typed Question

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- Ask questions to All Panelists.
- Your question will be redirected to a Panelist to answer verbally.



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- After your question is asked, the Facilitator will put you back on mute.
- Press the icon again to put down your hand.

Participating by Phone

- To ask a question, raise your hand by pressing ***3**.
- The Facilitator will call on you by mentioning the first few digits of your phone number and will be unmuted. You'll be muted again after your question has been asked.
- After you've asked your question, press ***3** to put your hand down.

Code of Conduct for Meetings

- **One voice at a time.**

Facilitator will call on participants who have their hands raised.

Be direct and frame questions to specific speakers

- **Be brief** and limit yourself to one question or comment at a time

- **Be a good listener**

- **Be respectful.** The City of Toronto is an inclusive public organization. Racist or other forms of discriminatory, prejudicial or hateful comments and questions will not be tolerated and you will be removed from the meeting

Welcome!

Purpose of Today's Meeting

- Present options being explored by the City of Toronto (City) to support economic competitiveness of industrial and commercial businesses and the City's Resilience Strategy objectives
- Hear from you - questions and feedback

Meeting Agenda

1. Presentation

- Consultation purpose, objectives and scope
- Current Toronto Water support programs for ICI customers
- Municipal Code Chapter 681, Sewers (Sewers By-law)
- Water charges, fees and stormwater management incentives for industrial and commercial customers

2. Discussion questions after each topic area

3. Next Steps



Consultation Purpose, Scope and Objectives

Council Direction – Purpose

- As directed by City Council in 2019.EX11.2, Toronto Water and Economic Development and Culture are undertaking stakeholder consultation with water users to determine what, if any, water fees and charges, programs or other measures designed to support business retention, economic growth, investment and employment, Toronto Water might recommend to City Council in furtherance of the objectives of the City of Toronto (City) economic competitiveness strategy and the City's Resilience Strategy.
- Report back to Council on the consultation outcomes by mid-2021

Council Direction - Scope of Consultation

- **Current Toronto Water support programs for Industrial, Commercial and Institutional customers**
- **Current policies and practices under Municipal Code Chapter 681, Sewers**, with a view to identifying potential opportunities for administrative efficiencies
- **Water fees and charges** including:
 - The decoupling of industrial and commercial customers' water rate from costs associated with stormwater management services
 - Dedicated stormwater management charge (SW Charge) for owners of commercial parking lots
- **Possible incentives for industrial and commercial customers to undertake sustainable stormwater and flood management solutions**, including stormwater management charge credits and green infrastructure funding

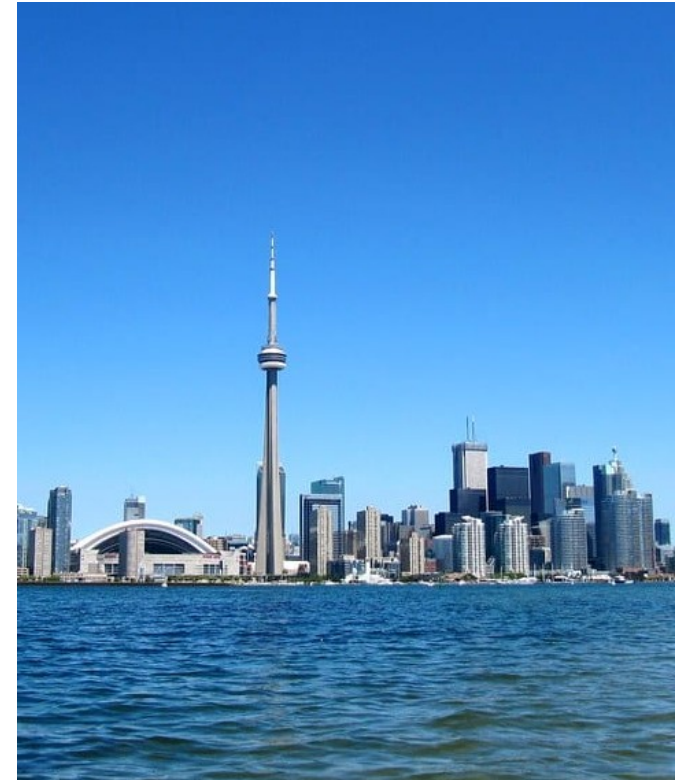
Goals and Objectives

- **Supporting the economic competitiveness of Industrial and Commercial (I&C) businesses**
 - Opportunities to provide cost savings related to water, wastewater and stormwater costs for large I&C customers
 - Increase and broaden participation in the City's current support programs for I&C customers, as well as institutional customers
- **Furthering the City's Resilience Strategy objectives** - make City water and sewer infrastructure more resilient to climate change and reduce the hazards of flooding



Goals and Objectives (cont'd)

- **Cost-effectiveness and transparency**
 - Promote enhanced transparency with respect to water rates, charges and fees while recovering the full serviceable costs of the collection, transmittal and treatment of stormwater run-off generated by I&C properties
 - Provide for the continued financial sustainability of Toronto Water's programs
- **Administrative efficiencies and customer service improvement** - streamline processes thereby increasing the potential for further increased efficiencies in the City's administration of ICI support programs and its Sewers By-law
- **Environmental stewardship** - improve surface water quality by promoting more sustainable stormwater management practices by I&C businesses on their properties



Industrial, Commercial and Institutional Support Programs

Industrial, Commercial and Institutional Sector Support Programs

- Toronto Water provides three programs for industrial, commercial and institutional (ICI) customers to support economic, social and employment objectives, water efficiency and conservation, and to reduce greenhouse gases and energy demand
- Toronto Water's current programs include:
 - Industrial Water Rate (IWR) Program
 - Capacity Buyback Program
 - Sewer Surcharge Rebate Program
- Through this consultation, Toronto Water is seeking to identify and explore measures to streamline program administration, improve customer service, increase participation and broaden program eligibility

Industrial Water Rate (IWR) Program

- Offers a discounted water rate (Industrial Water Rate or Block 2 Rate) to industrial businesses on water in excess of 5000 m³/year used for industrial or manufacturing purposes to help support economic growth and encourage water conservation
- The IWR Program is open to eligible businesses:
 - use more than 5,000 cubic meters of water annually
 - fall within the industrial property tax class
 - are in compliance with Toronto's Sewers By-law
 - complete and submit a comprehensive water conservation plan to the satisfaction of the General Manager, Toronto Water.
- Approximately 100 industrial businesses are currently on the Block 2 Rate

INDUSTRIAL WATER RATE (AKA BLOCK 2)

Manufacturing businesses consuming more than 5,000 m³ of water a year may be eligible for a 30% reduction in the water rate.



IWR Program - Options for Discussion

Lower the 5000 m³ threshold value

- Threshold was lowered from 6000 m³ to 5000 m³ in 2015
- Requires determining a lower threshold value that balances broadening eligibility for industrial businesses while maintaining the IWR Program's objective to support large industrial volume water users

Suggested Advantages

- Potential to increase program participation and reduce water consumption costs for additional industrial businesses

Suggested Disadvantages

- Financial impacts to Toronto Water (would need to be assessed)

IWR Program - Options for Discussion

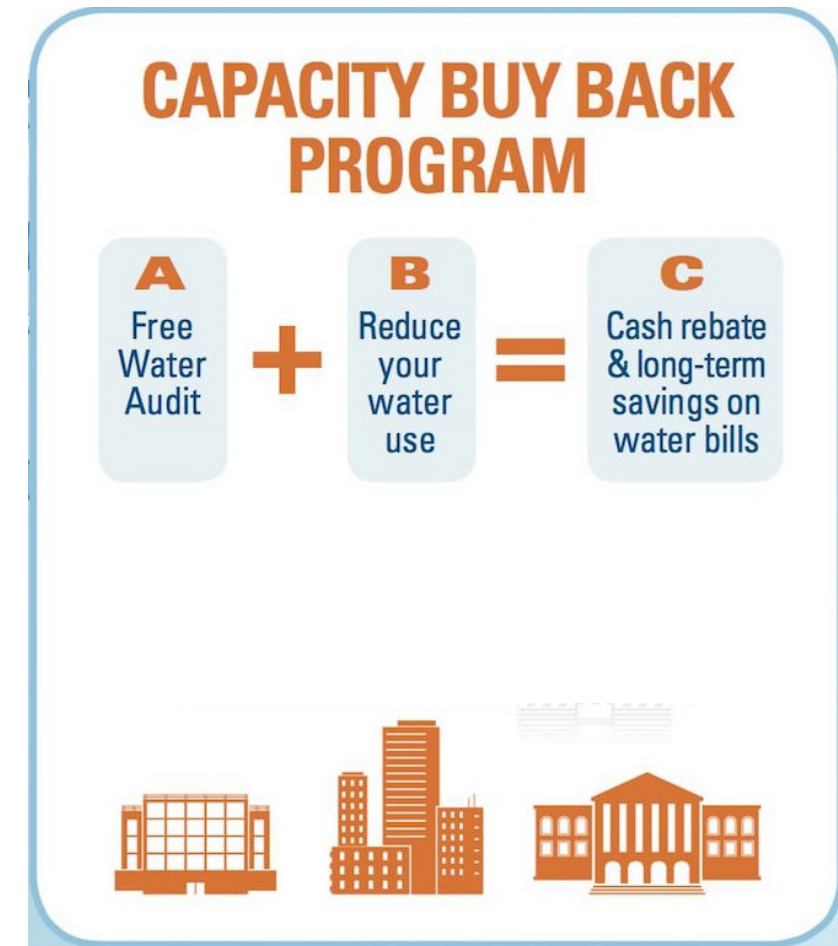
Changes to IWR Program Requirements

- Removing the requirement for completion and submission of a comprehensive water conservation plan

Suggested Advantages	Suggested Disadvantages
<ul style="list-style-type: none">• Could increase the number of participating industrial businesses by addressing potential barriers (e.g., costs to businesses for completion of a water conservation plan and implementation of capital projects)• Potential for efficiencies in the City's administration of the IWR Program	<ul style="list-style-type: none">• Loss of independent evaluation of water efficiency and resulting cost savings benefits

Capacity Buyback Program (CBB)

- Provides incentives for commercial and institutional customers by:
 - offering a free water audit to help identify ways to reduce water use
 - rewarding participants that implement permanent water-saving measures with a one-time cash rebate of up to 30 cents per litre of water saved per average day
- Industrial businesses have been excluded from eligibility in the CBB Program since the Industrial Water Rate (IWR) Program was implemented in 2008



CBB Program – Options for Discussion

Changes to the Free Water Efficiency Audit

- Streamline the application process by:
 - Removing the requirement for an engineering consultant site visit
 - Limiting the audit to a desktop review of data and equipment specifications, and/or a water balance evaluation

Suggested Advantages

- Would simplify the application process which could make the program more accessible for commercial and institutional customers with standard equipment/simple facility operations
- Potential for administrative efficiencies for the CBB Program

Suggested Disadvantages

- Financial impacts to Toronto Water (would need to be assessed)

CBB Program – Options for Discussion

Eligibility for Industrial Customers

- Expand program eligibility to small and medium-sized industrial customers that are not eligible for the IWR Program because they consume less than 5,000 m³ and/or do not participate due to costs. For example:

	Industrial small volume water customers	Industrial medium-volume water customers
Water Consumption	Consume less than 5000 m ³ annually	Consume between 5,000 m ³ and 15,000 m ³ annually
CBB Eligibility	Fully eligible – could apply for the free audit as well as receive an incentive of \$0.30/litre water saved if projects identified during the audit are implemented	Partially eligible - could apply for the free audit

Suggested Advantages	Suggested Disadvantages
<ul style="list-style-type: none">Potential for cost savings and improved water efficiency for small and medium-sized industrial businesses	<ul style="list-style-type: none">Financial impacts to Toronto Water (would need to be assessed)

Sewer Surcharge Rebate Program (SSR)

- Provides eligible industrial and commercial customers a rebate on water not discharged into the sanitary sewer system (i.e. water evaporated from cooling towers or used to make a product)
- Eligibility criteria for the SSR Program are based on the property's total annual water consumption and sanitary contribution amount
- Water used outdoors (i.e. for irrigation) is not eligible for the SSR Program
- Rebate is based on the percentage of water not returned to the sanitary sewer system and is applied to the sewer portion of the water rate
- SSR Program participants are required to renew their application and submit an engineering report on an annual basis

SEWER SURCHARGE REBATE

Industrial and commercial businesses that keep water out of the sewer system* may be eligible for a rebate based on the percentage of water not returned to the sewer system.

**e.g. water evaporated from cooling towers or used to make a product.*



SSR Program – Options for Discussion

Change to Annual Renewal Period

- Increase the renewal period from annually to every three years contingent on participating companies adding process metering to their facility (and maintaining eligibility)

Addition of Process Metering

- Require participants to add a process meter as a requirement that would measure their sanitary and/or non-sanitary contribution
- Participants providing actual meter readings rather than engineering calculations or study period extrapolations would be eligible for extension of the renewal period from annually to every 3 years

Suggested Advantages	Suggested Disadvantages
<ul style="list-style-type: none">• Incorporates best practices implemented by programs in other jurisdictions• More accurate readings for participating businesses and Toronto Water• Cost savings to SSR Program participants (e.g. less frequent engineering report submissions)• Administrative efficiencies for the City	<ul style="list-style-type: none">• Costs to participating businesses for process meter but off-set by cost savings

Discussion Questions – ICI Program Options

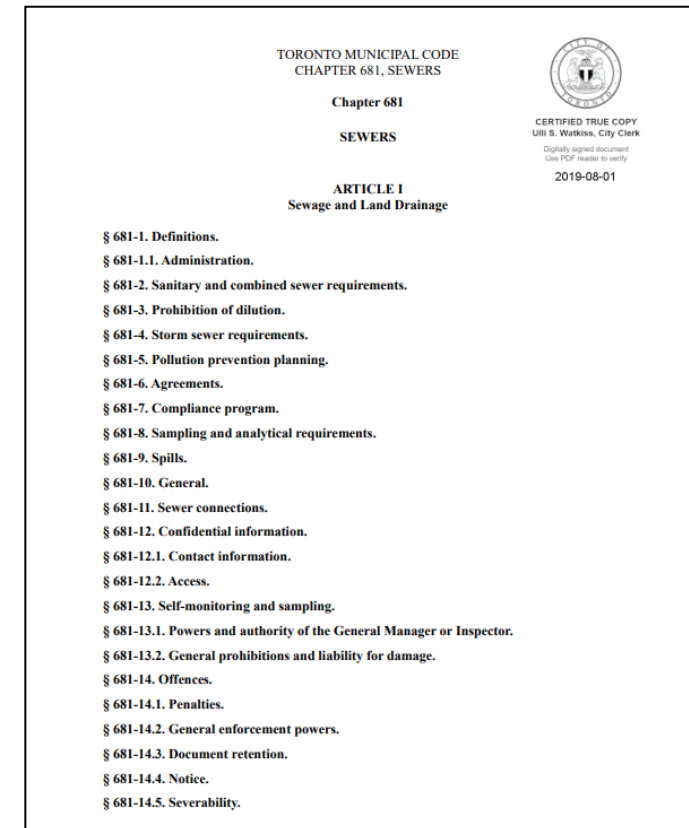
- Do you have questions about the options being explored for the three ICI programs?
- Do you have feedback on the options?
 - Advantages/benefits and disadvantages/concerns?
 - Other considerations?
- Suggestions for other support measures for the City's consideration (within or outside of the existing ICI support programs)?



Sewers By-law

Sewers By-law - Introduction

- The City's Sewers By-law (Municipal Code Chapter 681, Sewers) ("Sewers By-law") aims to protect public safety, the environment and City infrastructure by, among other things, setting strict limits on what can be discharged into the City's sewers system and natural watercourses. Some substances are completely prohibited, where others are restricted to defined parameter limits.
- The Sewers By-law assists the City in complying with Federal and Provincial environmental statutes, legislation
- Sewers By-law enforcement and compliance is overseen by Toronto Water's **Environmental Monitoring and Protection unit (EM&P)**



Sewers By-law – Options for Discussion

Industrial Wastewater Surcharge Agreements (IWSA)

- Under Section 6 of the Sewers By-law, a business may be permitted to enter into an IWSA (or have a Permit issued) to allow a discharge in excess of certain Sewers By-law limits, otherwise prohibited, if the exceedance is with respect to treatable parameters for a fee payable to the City to treat the excess concentrations and subject to the IWSA/Permit
 - Treatable parameters include: Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), phenols, (4AAP), Total Phosphorus, and Total Kjeldahl Nitrogen (TKN)
- Prior to the issuance of any such Permit or the entering into of an IWSA, EM&P will conduct an assessment to:
 - Establish whether the conditions of Section 6 are met and the upper limits to be used in Schedule 1 of the IWSA; or,
 - Determine the appropriate mechanism – Permit or IWSA
- The IWSA permits a Discharger up to 3 exceedances (of less than 20%) of the parameter limits in the Agreement/Permit per Term of the IWSA. This allows a Discharger some margin of error for operational changes

Option: Increase number of exceedances (e.g., to 4 or 5) of the parameter limits (less than 20%) per Term of the Agreement

Suggested Advantages:

- Greater operational flexibility for facility
- Ability for facility to increase production if there is a special need for the facility without going into IWSA default

Sewers By-law - Options for Discussion

Toronto Sewers By-law Navigation Guide

- Toronto Water could develop a Sewers By-law Navigation Guide to help businesses better understand their compliance obligations
- Such a Guide would provide information on the key components of the Sewers By-law including:
 - Discharge limits for subject pollutants, sampling and inspections, monitoring and reporting, compliance and enforcement measures, and discharge agreements, etc.

Suggested Advantages

- Potential to improve regulatory compliance within the industry
- Potential for cost savings by businesses

Sewers By-law – Options for Discussion

Establishing Subject Pollutant Reporting Thresholds

- Every subject sector industry discharging any amount of 33 subject pollutants is required to submit a Pollution Prevention (P2) Plan to Toronto Water and identify steps to reduce, substitute or eliminate the subject pollutant
- P2 plans are required for any amount of a subject pollutant which is discharged
- Some reporting programs in Canada and Ontario have adopted threshold limits to eliminate the requirement for the reporting of trace amounts of subject pollutants

Sewers By-law – Options for Discussion

Establishing Subject Pollutant Reporting Thresholds (cont'd)

- This option contemplates establishing risk-based threshold limits for reporting of trace amounts of subject pollutants. This measure would not impact discharge limits in the Sewers By-law
- Would require an initial risk-based evaluation of each subject pollutant, determination of whether a risk-based reporting threshold could be applied and if so, identification of the threshold value, and consultation with stakeholders

Suggested Advantages

- Would reduce reporting and P2 Plan submission requirements for businesses where only a trace amount of a subject pollutant is present
- Potential cost savings for companies
- Potential for reduced administration for the City (i.e., fewer reviews of P2 Plans submitted for trace amounts of subject pollutants)

Suggested Disadvantages

- Would require significant time and consultation to develop a proposal for City Council consideration
- Would require amendments to the Sewers By-law

Sewers By-law Options Suggested by Stakeholders

Self Monitoring and Reporting

- Allow companies to self-report effluent testing and analysis to the City
- Would require the City to prescribe the criteria (i.e., frequency, test parameters and locations) for each company, and could require a legal agreement
- The City's compliance monitoring program would audit the data submitted

Suggested Advantages

- Potential for the company to receive the sample results sooner and take corrective actions as needed

Suggested Disadvantages

- May pose challenges for some companies (smaller, medium-sized) to implement with respect to staff expertise, equipment and costs to perform their own sampling. The City does not currently charge for the collection of samples.
- Typically self-reporting requires an independent third party consultant containing qualified person(s) which would end up being an additional cost for the company

Discussion Questions – Sewers By-law

- Do you have questions on the options being explored related to the Sewers By-law?
- Do you have feedback on the options:
 - Advantages/benefits and disadvantages/concerns?
 - Other considerations?
- Any suggestions for other options Toronto Water could consider to help improve businesses' compliance with the Sewers By-law?



Water Fees and Charges

Toronto Water Overview

- **Drinking water**
 - For 3.6 million residents and businesses
 - Treat and supply more than 435 billion litres of safe drinking water annually
- **Wastewater**
 - For 2.8 million residents and businesses
 - Collect and treat 400 billion litres of wastewater annually (e.g., water from toilets, dishwashers, washing machines, etc.)
- **Stormwater Management**
 - Protect public and private property and the environment from stormwater
- **Maintenance & Repair**
 - Repair 1,100 broken watermain breaks each year
 - Maintain and service four water treatment plants and four wastewater treatment plants
 - Maintain and repair 6,100 km of watermain; 5,100 km of sanitary sewers; 5,000 km of storm sewers



R.C. Harris Water Treatment Plant



Ashbridges Bay Wastewater Treatment Plant



Earl Bales Stormwater Management Pond

Water Fees and Charges

- Toronto Water's water and wastewater (including stormwater) services are funded on a "pay-as-you-go" system through a combined water and wastewater consumption rate ("water rate")
- Revenue for these services comes primarily (92%) from the water rate which is charged based on the volume of water consumed
- Toronto Water also has in place various water and wastewater fees, exclusive of the water rate, to recover the costs of certain water and wastewater services provided for a user fee
- The water rate is structured in two blocks:

2020 Water Rates	Rate if paid on or before due date
Block 1: all water consumption up to 5,000 m ³	\$4.0735/m ³
Block 2* (Industrial Water Rate Program): consumption over 5,000 m ³	\$2.8514/m ³

** Applies to eligible industrial customers participating in the Industrial Water Rate Program (30% discount on the Block 1 Water Rate)*

Water Fees and Charges – Options for Discussion

- Through this consultation, the City is exploring options for changes to fees or charges to support economic competitiveness of I&C businesses and the objectives of the City's Resiliency Strategy
- Options for discussion include:
 - An **administrative water fee**
 - The **decoupling of industrial and commercial customers' water rate from costs associated with storm water management services**
 - **Stormwater management charge (SW Charge) for owners of commercial parking lots** to recover serviceable costs of the collection, transmittal and treatment of stormwater run-off generated by those parking lots

Water Fees and Charges – Options for Discussion

Administrative Water Fee

- An administrative water fee contemplates a fixed charge for the administration of water and sewer services portion of the utility bill and other Toronto Water "overhead" operating expenditures which are irrespective of water consumption and would be removed from the water rate
- These operating costs are currently fully funded by the water rate
- Some Ontario municipalities (e.g., Halton Region, Durham Region and the City of Hamilton) charge a fixed fee to water and sewer utility bills to recover fixed operating costs. The costs included in the fee and how the fee is applied (e.g., by water meter size) vary by municipality

Water Fees and Charges – Options for Discussion

Administrative Water Fee (cont'd)

- Administrative water fee option would:
 - Remove certain fixed operating costs from the water rate; and,
 - Be charged as a flat fee as a separate line item on the water and wastewater portion of the utility bill (e.g., one-time annual fee at the beginning of the year)
- Preliminary estimate of an annual administrative water fee is **\$109.50 per water account (on average)**, which would result in an estimated reduction of Block 1 and Block 2 Rates by 4.4 per cent each
 - Includes certain 2020 fixed operating costs (administration of the water and sewer services portion of the utility bill, interdivisional charges, rent, insurance costs); and,
 - Applies administrative water fee to all water accounts

Suggested Advantages

- Potential decrease in costs for large volume water users (impacts would need to be assessed)

Suggested Disadvantages

- Potential small increase in costs for small volume water users (impacts would need to be assessed)
- City costs to implement (e.g. changes to Revenue Services' billing system and utility bill)

What is Stormwater?

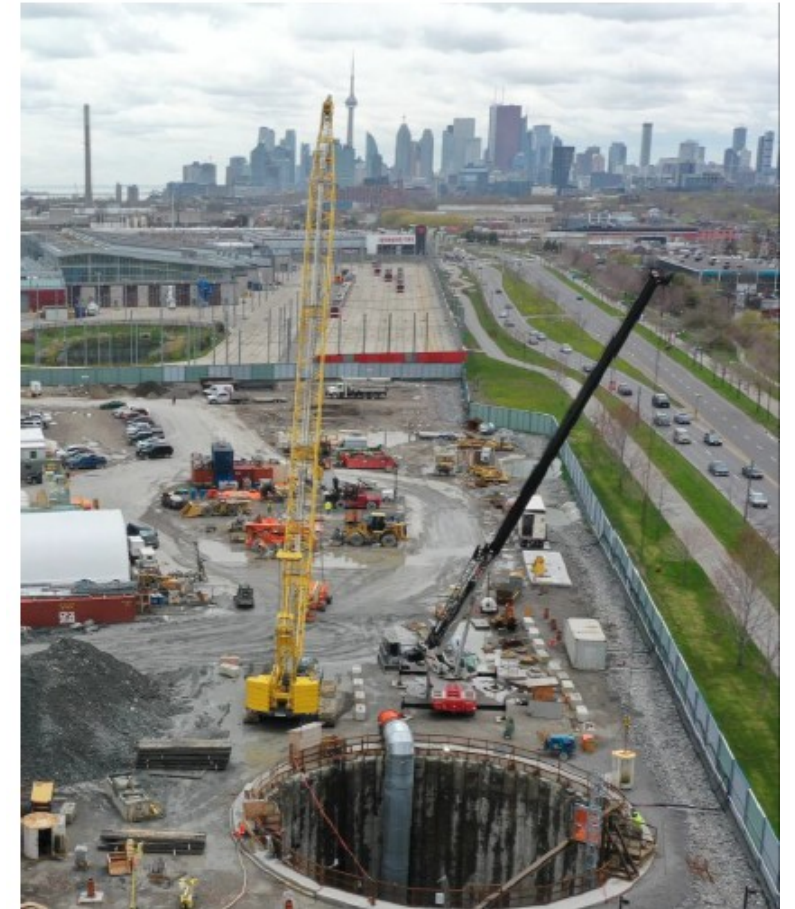
- **Stormwater** is rain and melted snow
- When not absorbed into the ground, stormwater runs off properties, onto streets, down storm drains and through a complex network of pipes that carry it into local waterways or, in some cases, wastewater treatment facilities
- Generally, the more hard surfaces a property has, the more stormwater it contributes to the stormwater system
- **Challenges:**
 - An increase in extreme storms, combined with more hard surfaces in the city, is resulting in more water making its way into the City's sewer system
 - Too much water can overwhelm the system, leading to flooded basements and impacting water quality in local waterways, including Lake Ontario
 - Watercourse erosion exposing vulnerable sewer infrastructure



Decoupling of Stormwater Service Costs for I&C Customers

How is the City Managing Stormwater?

- The **Wet Weather Flow Master Plan (WWFMP)** is a 25-year plan to reduce stormwater and protect the environment for healthy streams, rivers and Lake Ontario – approx. \$4.2 billion from 2020-2029 (2020 approved Capital Budget)
 - **Basement Flooding Protection Program** – studies and construction of infrastructure improvements to the City's sewer system and overland drainage routes to provide an enhanced level of flooding protection – approx. \$2.1 billion
 - **Don River and Central Waterfront Project, other stormwater infrastructure and watercourse management projects** – stormwater ponds, tanks and tunnels to improve water quality and protect vulnerable sewer infrastructure from erosion impacts – approx. \$2.1 billion



Don River and Central Waterfront Project

Decoupling of Stormwater Services' Costs for I&C Customers

How Have Other Municipalities Decoupled Stormwater Costs?

- In Ontario and other jurisdictions across Canada and the United States, many municipalities have decoupled stormwater services costs from their water rate(s) through the implementation of a stormwater charge (SW Charge).
- A **Stormwater Charge** is a charge that:
 - is based on impact to the stormwater system – surface stormwater runoff from a property rather than water consumption
 - pays for stormwater management services - removes the revenue for stormwater management services from the water rate
 - the SW Charge is shown as separate line item on the utility bill
- The SW Charge model and implementation (i.e. how it is calculated and applied) varies by municipality



Options for Discussion - Stormwater Charge for I&C Properties

- A SW Charge for I&C properties is an option being explored to decouple stormwater servicing costs from the water rate for these customers
- A SW Charge for I&C properties only poses challenges. This option would require:
 - Separating out the stormwater management operating and capital program funding for I&C customers from the current Toronto Water financial model
 - Identifying impervious area for I&C properties as a proportion of hard surface area of the entire city
 - Calculating a water rate for I&C customers which covers only water and wastewater services for I&C customers and not stormwater services, which would be calculated and charged separately under a new SW Charge
 - Developing a model and structure to apply a SW Charge to I&C properties only and assessing I&C customer cost impacts/shifts
 - Developing a plan to implement and operationalize a SW Charge for I&C properties



Options for Discussion - Stormwater Charge for I&C Properties

- A preliminary analysis has been undertaken to determine how a SW Charge option could be applied for I&C properties and its potential impacts on the water rate
- Based on the preliminary analysis:
 - I&C properties represent an estimated 7,609 hectares or 36% of total impervious area across the city (21,025 hectares).
 - the total funding allocation for I&C customers for the stormwater management program (\$315 million in 2020) based on the 36% percentage contribution would amount to \$114 million in 2020, which would need to be removed from the water rate
 - a stormwater charge for I&C properties would be **\$1.50 per sq. metre of impervious area**
 - after separating the stormwater management cost from the current water rate (2020):
 - Block 1 Rate for I&C customers would decrease by approx. 25% from \$4.0735/m³ to 3.0673 /m³
 - Block 2 Rate for Industrial customers would decrease by approx. 25% from \$2.8514/m³ to 2.1471/m³
- **The estimates above are preliminary and subject to change pending further analysis**

Options for Discussion - Stormwater Charge for I&C Properties

Suggested Advantages

- Stormwater service costs for I&C customers would be based on stormwater runoff generated by the property, not water consumption
- Greater transparency with stormwater servicing costs shown as a separate line item on the utility bill
- Creates mechanism for the City to explore options for stormwater management incentives with respect to SW Charge Credits to help improve stormwater management practices on I&C properties

Suggested Disadvantages

- Create a complex water rate structure with different block rates for I&C customers and other water customers (residential, multi-residential, commercial, and institutional)
- Charging I&C customer class and other customer classes for stormwater services in a different way (based on a SW Charge and water consumption, respectively)
- May not be practical to implement only for I&C customers (e.g., administration costs, SW charge on utility bills for I&C only, GIS analysis and IT integration, SW Charge management systems, etc.)

Option for Discussion - Stormwater Charge for Commercial Parking Lots

- Option of a SW Charge for owners of commercial parking lots to recover the serviceable costs of stormwater services for these properties
- Contemplates the application of a SW Charge to parking lots that do not have a water account and contribute stormwater runoff to the City's sewer systems:
 - Ground surface parking lots and multi-level parking lots with their own roof
- As of June 2020, these parking lots comprise approx. 650 privately commercial parking lots and approx. 300 Toronto Parking Authority parking lots



City of Toronto Archives, Fonds 124 10124_10013_id0018



Source: tripadvisor.ca

Option for Discussion - Stormwater Charge for Commercial Parking Lots

- A preliminary analysis (based on partial GIS data, subject to change pending further analysis) has been undertaken of a SW Charge option for commercial parking lots.
- Commercial parking lots properties:
 - represent approximately 242 hectares or 1.15 per cent of total impervious area across the city (21,025 hectares)
 - the total funding allocation for these properties for the stormwater management program (\$315 M in 2020) based on the 1.15 percentage contribution would amount to approx. \$3.6 M in 2020, which would need to be removed from the water rate
 - a stormwater charge for these properties would equal **\$1.50 per sq. metre of impervious area**
 - after separating the stormwater management cost from the current water rate (2020), the Block 1 Rate and Block 2 Rate would decrease by approximately 0.29 per cent each

Suggested Advantages

- Recover stormwater servicing costs from these parking lots
- Slight reduction in the water rate (Block 1 and Block 2)

Suggested Disadvantages

- May not be practical to implement (e.g., administration costs, issuing a separate stormwater charge only bill, SW Charge management systems, GIS analysis and IT integration, etc.)
- Stormwater improvement benefits may be negligible from a City-wide perspective

Discussion Questions – Water Fees and Charges

- Do you have questions on the options being explored:
 - Administrative water fee?
 - SW Charge for I&C customers?
 - SW Charge for Commercial Parking Lots?
- Do you have feedback on the options:
 - Advantages/benefits and disadvantages/concerns?
 - Other considerations?



Stormwater Management Incentives for I&C Customers

Stormwater Management Incentives for I&C Customers

- Stormwater management incentive options being explored to help industrial and commercial (I&C) businesses undertake sustainable storm water and flood management solutions on their properties.
- Types of incentives programs offered to I&C property owners in municipal and other jurisdictions in Canada and/or the United States that are being explored within the scope of this Consultation include:
 - Stormwater Charge Credits Programs
 - Grant Programs
 - Award and Recognition Programs



Options for Discussion – SWM Management Incentives for I&C Customers

Stormwater Charge Credit Program

- SW Charge Credit Program option would provide a credit or discount on a SW Charge as an incentive to I&C property owners to implement sustainable stormwater management measures (e.g., green infrastructure) on their properties
- SW Charge Credit Programs have been implemented by many municipalities with a SW Charge:
 - Targeted to non-residential properties (industrial, commercial and institutional) while a few municipal programs also apply to residential properties
 - Some SW Charge Credit Programs apply only to larger properties which have more impervious area and therefore offer the greatest potential and benefit in reducing stormwater contributions through a SW Charge Credit Program
 - Some municipalities (e.g. City of Mississauga) allow for SW Charge credits sharing

Options for Discussion – SWM Management Incentives for I&C Businesses

- **Common elements of SW Charge Credit Programs in other jurisdictions:**
 - A credit (per-square-foot credit) or reduction (percentage reduction) on the SW Charge that is continuous or one-time
 - Credit eligibility is based on:
 - the implementation of specific stormwater management best management practices; and/or
 - the property demonstrating the achievement of stormwater management performance objectives in categories such as peak flow reduction, runoff volume reduction, water quality treatment, pollution prevention, etc.
 - A credit value of up to maximum (typically 50 per cent) based on different credit categories
 - An application and renewal process and submission of an engineer certified stormwater management report; some municipalities apply a review fee
 - A verification process (e.g. inspections) to confirm proper installation and ongoing maintenance of stormwater management infrastructure

Suggested Advantages	Suggested Disadvantages
<ul style="list-style-type: none">• Potential to decrease costs for I&C customers that implement improved stormwater management practices/technologies• Important component of a SW Charge program and contribute to achieving the municipal objectives for stormwater management	<ul style="list-style-type: none">• Low uptake of SW Charge credits in some municipalities (credit programs/values being reviewed)• Revenue and cost implications (e.g., program administration, resources, communications, etc.) would be need to assessed

Options for Discussion – SWM Management Incentives for I&C Customers

Grant Programs

- Provide lump sum grants for the implementation of stormwater solutions by non-residential property owners for stormwater management
- City of Philadelphia Stormwater Grants Program
 - Provides grants for green infrastructure retrofits on private commercial and industrial properties
 - Applications must demonstrate that the projects are cost-effective (i.e., total cost under \$200,000 US per greened acre)
 - Project must include stormwater management practices that promote infiltration and water quality treatment and commit the property owner to additional funding, among other requirements



Suggested Advantages

- Help address upfront costs for I&C businesses to implement improved SWM practices
- Provide an incentive for businesses that are not eligible for a SW Charge Credit Program

Suggested Disadvantages

- Costs to implement a grant or rebate program
- Costs and benefits to the City (impacts would need to be assessed)

Options for Discussion – SWM Management Incentives for I&C Customers

- Programs that showcase exemplary stormwater management projects for companies that have implemented sustainable practices on their properties.
 - **Washington D.C. Sustainability Awards** - annual awards that recognize businesses and organizations that have implemented projects and practices that exemplify environmental stewardship including sustainable stormwater management
 - **City of Portland Businesses for an Environmentally Sustainable Tomorrow (BEST)** – annual awards to Portland area companies that have demonstrated excellence in business practices that promote economic growth and environmental benefits



Source: [District of Columbia Department of Energy & Environment website](#)

Suggested Advantages	Suggested Disadvantages
<ul style="list-style-type: none">• Recognition of businesses for environmental stewardship• Help increase industry awareness• Relatively easy to implement	<ul style="list-style-type: none">• Do not address challenges I&C businesses face in implementing improved SWM practices (e.g., costs, return on investment)• Municipal programs are being discontinued

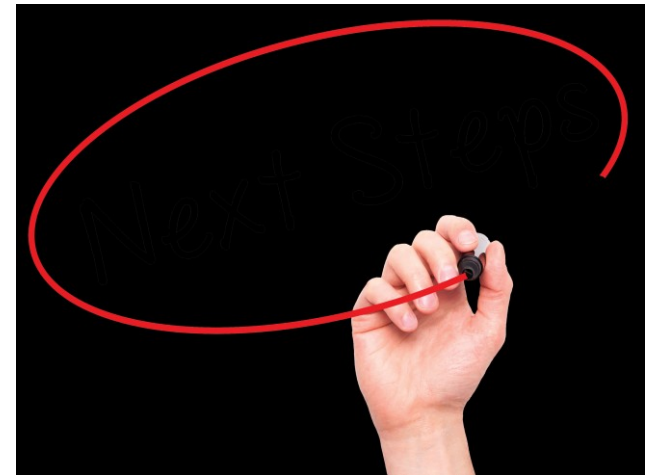
Discussion Questions – Stormwater Management Incentives for I&C Customers

- Do you have questions on the stormwater management incentive options being explored (SW Charge Credits, Grants Programs, Award and Recognition Programs)?
- Do you have feedback on the options:
 - Advantages/benefits and disadvantages/concerns?
 - Other considerations?
- Suggestions for other incentives that would help I&C customers implement improved stormwater management on their properties?



Next Steps

- **December 2020 to February 2021** – Review of feedback, options refinement and assessment (benefits, costs, other considerations, etc.)
- **February/March 2021** – Second round of on-line and virtual consultation events
 - Present feedback received in the first round of consultation
 - Provide information on assessment of options and receive feedback on refined or modified options
- **By Mid-2021** - Report back to Committee and City Council



Thank You for Participating!

How you can provide feedback after today's session:

- Complete Discussion Guide on-line survey by December 21, 2020 at toronto.ca/waterconsultation
- E-mail questions to waterconsultation@toronto.ca