

B.C. reviews water prices

by [Carlito Pablo](#) on Jul 23, 2014 at 9:50 am



The province is reviewing the price of its most important natural resource: water.

It's likely to increase water rates, with a new costing model expected next spring. The Greater Vancouver Water District (GVWD) is a major purchaser, drawing 390 million cubic metres last year from the Capilano River, Seymour River, and Coquitlam Lake.

The regional authority is proposing that all users of provincial water should pay the same price. It's a subject that's included in the agenda of the Friday (July 25) GVWD board meeting, and it's something that one of its directors, City of North Vancouver mayor Darrell Mussatto, feels strongly about.

"If we have such a great resource, why is there a discrepancy between users?" Mussatto asked in a phone interview with the *Georgia Straight*. "Why do the mining industry and the petroleum industry get cheaper water than we get to drink?"

The GVWD currently pays the province \$1.10 per 1,000 cubic metres. A thousand cubic metres is equivalent to one million litres.

By comparison, industrial and commercial users pay 85 cents for the same volume. The mining and petroleum sectors use provincial water for amounts ranging from 65 cents to \$1.10. Institutions with "individual domestic" licences are charged 60 cents. Agriculture and aquaculture have the lowest rates, at 60 cents and eight cents, respectively.

With the exception of food production, Mussatto said, “There should be one cost for all.”

The province is looking at raising prices as part of measures to implement Bill 18, or the Water Sustainability Act. The legislation updated the Water Act of 1909; it received royal assent last May 20 and will come into force in 2015.

“It is likely that rates will be increased so as to help improve services to water users, better support sustainable water management, improve program cost recovery, and enable implementation of the WSA,” the government stated in its legislative proposal. “Currently, annual water rentals do not cover the costs for government to administer and manage the non–water power water licences and short-term use approvals.”

Water prices related to hydroelectric-power generation are not included in the ongoing review.

A discussion paper released by the province last March noted that many who commented about the legislation indicated that “water is undervalued.” Public feedback also suggested that “current prices are too low, particularly for commercial and industrial uses.”

Water is a principal interest of Oliver Brandes, codirector of the University of Victoria–based POLIS Project on Ecological Governance. Brandes, who is also an adjunct professor in UVic’s law faculty, leads the POLIS Water Sustainability Project.

“Water in B.C. is massively underpriced,” Brandes told the *Straight* in a phone interview. “It doesn’t reflect even the cost of delivering it, let alone the actual value that society places on it.” He noted that current prices are so low that they represent nominal numbers.

Brandes suggested that the province can increase its selling price to cover the cost of managing its water resource without having an impact on end users like households.

The GVWD is one of four legal entities that make up the Metro Vancouver regional district. The regional government provides drinking water to its constituents every day.

A staff report on the GVWD’s July 25 agenda states that based on last year’s water intake from the Capilano River, Seymour River, and Coquitlam Lake, the district is budgeting \$430,000 for its 2014 water fees to the province.

According to the province’s discussion paper on water pricing, a B.C. municipality pays the province about \$1 a year, on average, for water per household.

The Water Sustainability Act was introduced in the house by Minister of Environment Mary Polak. Polak would not grant the *Straight* an interview. Based on the province’s legislative proposal, it is considering two options: one is to maintain the current structure that charges different rates but raise the fees; the second is to change both pricing structure and rates.

The B.C. NDP is not opposed to an increase in the province’s selling price for water. According to Spencer Chandra Herbert, Opposition environment critic, it’s a move that’s long overdue. However, the Vancouver–West End MLA also said that households should get a good deal.

“The household user is certainly the one that should take priority in terms of making a good amount of water available and keeping the cost low,” Chandra Herbert told the *Straight* by phone. “Industrial users tend to use a lot more and—often because pricing can be so low—

can be incredibly inefficient.”

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