

## Integrated Resource Plan (IRP) Stakeholder Comment / Question Record - DRAFT Terms of Reference

Item No.	Comment / Question Received	Date Received	Received From	Agency / Group	Response / Explanation by HRWC	Response / Explanation Date
1	I understand the purpose of the IRP is to explore various scenarios for management of Halifax Water's infrastructure and resources to determine the best approach for Halifax Water itself. While I understand the limitations of Halifax Water's mandate to deliver piped services, I feel that the IRP needs to investigate options that might be beyond the scope of Halifax Water and identify collaborative efforts that would be needed to achieve a more effective overall result. For example, much storm water management relies on how land is developed in a watershed and what is done before storm water enters a pipe to be managed by Halifax Water. It would be necessary therefore to work with other stakeholders – HRM and land developers for example - in order to properly manage storm water.	30-Mar-11	Fred Wendt	Ecology Action Centre	We are in agreement of the need to better coordinate the management of stormwater in the Halifax region. This will likely involve greater dialogue with the affected parties namely, Environment Canada (EC), Department of Fisheries and Oceans (DFO), Nova Scotia Environment (NSE), Halifax Regional Municipality (HRM), and the development community. However, given the current cross-jurisdictional issues, it is unrealistic to expect Halifax Water's Integrated Resource Plan (IRP) to address the issues that are outside it's ability to control (i.e. flood protection of the waterways, overall stormwater planning, building code requirements, grading controls, etc). That being said, Halifax Water will continue to work with its partners to improve our collective knowledge of the stormwater systems and the best methods for managing them. As well, Halifax Water will actively participate in the Stormwater Management Functional Plan (SWMFP) that will be initiated by HRM.	10-Apr-11
2	Similarly, demand for water can be influenced by measures such as low-flow plumbing fixtures, which might be beyond Halifax Water's control. It would be a missed opportunity if the IRP did not identify options for effective long term management of water and wastewater. In other words, that which is in only Halifax Water's interest may not be in the interest of the entire community.	30-Mar-11	Fred Wendt	Ecology Action Centre	Halifax Water acknowledges that what is in HW's best interest may not extend to the larger community as it relates to creating policy and practices around building and plumbing fixtures. In some cases, options for effective long term water and wastewater management will be identified (refer to the terms of reference document under the supply and demand supply options for examples), but Halifax Water will not necessarily be able to pursue them due to jurisdictional issues. Halifax Water will be able to identify these as potential water resource management options and evaluate their overall impact on infrastructure services.	10-Apr-11
3	There is a significant role for the UARB, the Province and HRM in both the development and outcome of the IRP. In particular, there needs to be a close relationship between HRM's Regional Plan review and the IRP.	30-Mar-11	Fred Wendt	Ecology Action Centre	Ultimately the development of the IRP is the responsibility of Halifax Water. However this must be done through consultation with key stakeholders including the NSE and HRM. NSUARB has direct involvement in that they directed Halifax Water to undertake the IRP. Regarding the relationship to HRM's Regional Plan process, HRM's regional planning process will inform the IRP with respect to the future growth areas and population projections. As well, Halifax Water will actively participate in the Regional Plan update.	10-Apr-11
4	I would also like to point out the importance of a pricing structure that encourages conservation. Presently there is one rate for water, regardless of the volume consumed by a customer, and therefore no direct incentive to reduce consumption through a variety of measures. A rate structure with escalating per-unit charges will provide a clear market signal to conserve water (and by implication reduce wastewater discharges). There are many benefits of conservation, including prolonging capital replacement and expansion. Ultimately, though, Halifax Water should treat its water supply as a finite resource. Although population growth will occur in the Region, there will be an upper limit on the amount of practically available water. Developing a conservation mindset will create a strong foundation for using that resource wisely.	30-Mar-11	Fred Wendt	Ecology Action Centre	Rate setting is not a component of the IRP. The IRP will evaluate the long term capital needs and establish the total revenue requirements needed to meet these long term needs. In a separate exercise, the rate structure will be reviewed and set such that the total revenue requirements identified in the IRP can be achieved.  Conservation, however, will be evaluated as a method of delaying the need for upgraded or expanded water supply facilities. It will be evaluated as a supply-side option in the IRP.	10-Apr-11
5	[we did not receive prior notice of the meeting and were unable to receive instructions in the short time allotted, ] - <i>excerpted for context</i>	05-Apr-11	Maggie Stewart	Large Users Group	The Notice of Technical Conference 1 was issued on March 10, 2011 (two weeks prior to the technical conference) to the stakeholders identified on the list of formal interveners to the 2010 Halifax Water rate application in addition to NSE, HRM, and the Urban Development Institute (UDI) . Stakeholders with a representative or agent acting on their behalf should inform Halifax Water through Val Williams (williav@halifaxwater.ca) to add these representatives to the contact list for participation at future technical conferences and receipt of associated information and documents.	10-Apr-11

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6	<p>4.2.3 Demand-side Options</p> <p>We note that the demand-side investigations that are proposed do not include efforts to quantify the differential impact of single-family dwellings as compared to multi-unit residential buildings. Presumably, long-term planning for HRM will include increased high-density housing. Current water rates do not account for considerations in intensity of use and other demand-side differentials between single-family and multi-family housing. We feel that the IRP, in that it will be looking at the long-term needs of the region, should include a rigorous study of the demand requirements of different types of residential housing.</p> <p>Similarly, we feel that the demand-side options of IRP should include a study of the current and projected needs of major institutional and industrial users. These groups may be able to provide insights as to their current and projected needs and may be in the process of implementing internal demand-side policies to reduce/conserves water, wastewater and storm water. Given the scale of use by these Halifax Water customers, it would be valuable to consider their demand-side separate from residential needs.</p> <p>Recommendation: The MP include specific demand-side assessments that consider (1) the differential use and impact of multi-unit residential customers as compared to single-family dwellings, and (2) that consider the current and projected demand-side needs of industrial and institutional users.</p>	05-Apr-11	Maggie Stewart	Large Users Group	<p>Demand and supply-side investigations will be evaluated using growth, density and population projections provided by HRM. Given that HRM is just beginning the update to the Regional Plan and the time line for Halifax Water to complete the IRP, growth data from HRM may be a variable with sensitivities. Halifax Water will require ranges for the data from HRM to reflect possible variations in the growth assumptions and these will be evaluated through the IRP. The sensitivity analysis identified in the IRP terms of reference should enable Halifax Water to assess the impact of variations to the growth assumptions used. The IRP will not be evaluating Halifax Water's rate structure.</p> <p>Regarding "rigorous study of the demand requirements of different types of residential housing" - this is not expected to be undertaken in the IRP but would be more appropriate as a deliverable of HRM's Regional Plan. Halifax Water will rely on the growth information provided by HRM.</p> <p>Information from the large institutional and industrial users that may impact on current and future demand forecasts may be considered in the IRP. No additional language is needed in the terms of reference to cover this item as this can reasonably be covered through the development of relevant assumptions. The impact of projected conservation efforts by institutional and industrial users may be reviewed to confirm the need to single out consumptive uses by type of user (i.e. institutional versus industrial versus commercial versus residential).</p>	10-Apr-11
7	<p>4.2.8 Financial considerations</p> <p>It is noted that the financial considerations that will be explored include rate-setting to incent rate-payers to use conservation technologies and methods. However, as discussed above, it is expected that density and intensity of use will also have an impact on the demand-side. In addition to studying the different impact related to multi-unit residential, industrial and institutional uses, it would be beneficial to explore how rates might be used to encourage density and intensity uses that are beneficial to the system.</p> <p>Recommendation: The MP should explore how rate setting can be used to recognize the demand-side benefits of multi-unit residential buildings and the conservation efforts of industrial and institutional users.</p>	05-Apr-11	Maggie Stewart	Large Users Group	<p>Increased density and intensity of use will impact demand-side considerations in terms of reduced pipe lengths to service a given site (thereby theoretically reducing I/I contributions and leaks from points in the system). However, this increased density and intensity of use must still be achievable in terms of available water supply and wastewater/stormwater system capacity without creating impacts on the environment (recharge of water supplies, effluent discharges, water quality). These changes in use and density may be evaluated through the IRP relative to HRM growth and population projections together with their associated revenue requirements.</p> <p>Rate setting is not a component of the IRP. The The IRP will evaluate the long term capital needs and establish the total revenue requirements necessary to meet these needs. In a separate exercise, the rate structure will be reviewed and proposed such that the total revenue requirements identified through the IRP can be achieved.</p> <p>Halifax Water is currently completing a revised cost of service study (COSS) that will be submitted to the NSUARB in May 2011 for a September 2011 hearing. The COSS will address the Halifax Water cost allocation to its various customer classes.</p> <p>Conservation will be evaluated as a method of delaying the need for upgraded or expanded infrastructure. Demand side benefits of increased density and intensity of use may be offset by the associated impacts on available water supply and wastewater/stormwater capacity.</p>	10-Apr-11

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8	<p>4.3 Stakeholder Consultation</p> <p>Halifax Water needs to permit stakeholders to have meaningful participation in the IRP process in order to develop an IRP that will be functional in the long-term.</p> <p>Minor issues were raised in Technical Conference , which were noted in the Meeting Summary, with respect to the consultation process. Specifically, we would like to ensure that the following is part of the stakeholder consultations:</p> <ul style="list-style-type: none"> <li>- All formal consultation meetings and technical conferences should be minuted and the minutes should be circulated amongst the stakeholders;</li> <li>- The timing for providing feedback should take into account the need for the representatives of some stakeholders to consult with experts, prepare feedback and receive instructions from the stakeholders. At a minimum, we request three weeks for any feedback deadline;</li> <li>- Feedback provided by stakeholders should be circulated amongst stakeholders;</li> <li>- Output from related Halifax Water planning activities and studies (RWWFP, Debt Study, Asset Management Study, etc.) should be circulated to stakeholders.</li> </ul> <p>Recommendation: The Terms of Reference should be amended to the components outlined above in the stakeholder consultation process.</p>	05-Apr-11	Maggie Stewart	Large Users Group	<p>Halifax Water acknowledges that stakeholder consultation is important to the IRP process. As such the work plan allows for five formal opportunities for stakeholder consultation through technical conferences.</p> <p>Halifax Water will have personnel available to record meeting summaries and action items. Detailed minutes similar to those provided during the NSUARB rate hearing are not anticipated by Halifax Water.</p> <p>The time line for the IRP is set for completion in June 2012. In order to maintain this fixed deadline, Halifax Water has established a schedule that allows for documents to be distributed to the stakeholders two weeks prior to the technical conferences. Similarly, Halifax Water asks for stakeholder comments to be provided two weeks following the technical conferences to enable technical memorandum to be issued. Stakeholders must acknowledge that longer response times will cut into time allocated to the next task. Halifax Water will not have the ability to extend the project and all efforts to maintain the schedule to meet the June 2012 deadline will be made. Following endorsement by the NSUARB, the finalized terms of reference will be distributed to the stakeholders which will outline the expected dates anticipated for distribution of documents, technical conferences, and comment submissions.</p> <p>Feedback provided by stakeholders will be recorded in a comment log together with a response or explanation from Halifax Water. The comment log will form part of the overall stakeholder consultation record for the IRP.</p> <p>Halifax Water will make relevant information from other ongoing initiatives (e.g. Asset Management Assessment, Regional Wastewater Functional Plan, Debt Study) available to the IRP stakeholders as needed at the discretion of Halifax Water.</p>	10-Apr-11
9	<p>This is a very comprehensive document – very encouraging! However, the ToR is too long. Some of the information provided throughout the DRAFT ToR could be put all together in a background section in the ToR, and other, more detailed information incorporated into the Integrated Resource Plan (IRP) itself. The ToR needs more bullet formatting.</p>	05-Apr-11	Anna McCarron		<p>The terms of reference document was developed following a similar format used by Nova Scotia Power Inc. during the first iteration of their recent IRP (2006-07). This document provides a high-level work plan for the IRP with sufficient detail to allow NSUARB to endorse the program.</p>	10-Apr-11
10	<p>Section 2.0 - IRP Approach</p> <p>The definition of “stakeholder” needs to be expanded on in the ToR. Who is invited to participate as a stakeholder? I noticed only four stakeholders/representatives in the Technical Conference 1 (TC1): One ENGO, an NSE water planner rep, a lawyer (?) and a development community rep. HRM Sustainable Environment Management Office (SEMO) needs to be there for example, plus other community groups around HRM. I suggest Waters Advisory Board (HWAB, DLAB and BWAB) reps who review land use planning and development applications. Is there a rep from the other side of Halifax Water? That said, there should not be more than 10 stakeholders, to guard against getting too bogged down.</p>	05-Apr-11	Anna McCarron		<p>Halifax Water's IRP is considered an open process. Stakeholders were invited to participate based on the list of parties that had formal intervener status from Halifax Water's 2010 rate application. Representation was also requested of NSE, HRM and the UDI. Members of the various watershed advisory boards were not explicitly invited but they are welcome to participate. The chairs of the three advisory boards will be contacted to invite their participation.</p>	10-Apr-11
11	<p>Section 2.0 - IRP Approach</p> <p>Members of the TC teams who represent the UARB and HW water team should have ex-officio status. I suggest TC team co-chairpersons: one from the regulatory side and another from the stakeholder side. Rotating chairs might also be an option.</p> <p>[Clarification from the sender was sought regarding this item. Sender advised that initially they were viewing the participants of the technical conferences as an advisory board. As this is not the case, the issue of chairs no longer applies.]</p>	05-Apr-11	Anna McCarron		<p>The IRP is being led by Halifax Water at the direction of NSUARB. As such, Halifax Water must retain a leadership role. NSUARB with the assistance of their consultants, will collaborate with Halifax Water throughout the IRP process.</p>	11-Apr-11
12	<p>Section 2.0 - IRP Approach</p> <p>Is there representation of residents who privately draw their water directly from surface water sources, as many do in the Shubie system? They certainly have a vested interest in stormwater discharge and wastewater effluent.</p>	05-Apr-11	Anna McCarron		<p>Residents that privately draw water directly from surface water sources have not specifically been invited to participate. However they are welcome to participate and if interested, should advise Halifax Water through Val Williams (williav@halifaxwater.ca).</p>	11-Apr-11

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13	Section 2.0 - IRP Approach Regarding regulatory agency partnerships: I see partnership opportunities between the obvious partners such as NSE and HRM, however, I think specific HRM departments as in the SEMO office and the community development department (especially with respect to the regarding building codes) must be specifically included in some capacity.	05-Apr-11	Anna McCarron		HRM has been invited to participate. Halifax Water will extend the invitation to a broader audience at HRM.	11-Apr-11
14	Section 2.0 - IRP Approach I share the concerns that TC1 participants had about coordinated efforts regarding the important roles different parties will play in water, wastewater and stormwater management (pg. 3 – sec. 3.4.).	05-Apr-11	Anna McCarron		Acknowledged. Refer to response to item 1 above.	11-Apr-11
15	Section 2.0 - IRP Approach Regarding funding: there needs to be a system in place, perhaps instituted by the provincial government – the UARB – allowing higher rates to cover the costs of managing water input and output to encourage water-saving practices. User-pay approach. Encourage BMPs as a cost-saving measure if not a regulatory one.	05-Apr-11	Anna McCarron		The IRP will not review rates. The IRP will evaluate the long term capital needs and establish the total revenue requirements necessary to meet those needs. In a separate exercise, the rate structure will be reviewed and set such that the total revenue requirements identified in the IRP can be achieved.  Conservation will be evaluated as a method of delaying the need for upgraded or expanded infrastructure.	11-Apr-11
16	Section 3.0 - Scope Will the "Soft Path to Water" philosophy be applied or at least considered under demand-side management? See here: <a href="http://poliswaterproject.org/softpath">http://poliswaterproject.org/softpath</a>	05-Apr-11	Anna McCarron		The IRP process Halifax Water will follow is based on the American Water Works Association (AWWA) Integrated Resource Planning methodology, modified to include the three infrastructures (water, wastewater, stormwater). In reviewing the cited document, the "Soft Path to Water" appears to be the next generation of integrated water planning. Given that Halifax Water is embarking on its first IRP, the inclusion of both supply and demand-side management considerations will be an important step in creating a stronger long term plan.  The "Soft Path to Water" introduces some interesting concepts with the focus needing to be on policy development and social and behavioural changes in relation to our collective use of water resources. This is therefore a much larger undertaking than can reasonably be expected in the first iteration of Halifax Water's IRP. As well, this will require a much higher level of cooperation amongst all agencies and regulatory authorities including federal, provincial, municipal, industry and other stakeholders.  Consideration to the the "Soft Path to Water" will be given during the background review stage of the program to identify applicable ideas for further consideration during the demand-side options review. This will not require changes to the the terms of reference however, this level of detail may be considered with the upcoming consultant assignment.	11-Apr-11
17	Section 3.0 - Scope I share the least cost approach concerns of the TC1 stakeholders, under section 5.1 of the notes. I urge consideration of non-status quo "cost" options. I recommend considering Genuine Progress Index (GPI) Atlantic cost accounting (see: <a href="http://www.gpiatlantic.org/publications/abstracts/waterquality-ab.htm">http://www.gpiatlantic.org/publications/abstracts/waterquality-ab.htm</a> ). For example, what may be a significant cost at the front end (engineered wetlands for example) may avoid expensive infrastructure costs in the long run for other stakeholders, such as landowners who suffer damage in 100-year storm events. In other words, full cost accounting (that include a broad range of stakeholder considerations) must be entertained from HW's and all other stakeholders' perspectives, over the long term - < 30 years - as suggested.	05-Apr-11	Anna McCarron		Halifax Water acknowledges that cost considerations need to include long range impacts. The method to be followed is to identify all performance requirements that must be met by Halifax Water - these will include environmental, social, and economic performance requirements. Then Halifax Water will review supply and demand-side options to develop a range of solutions (referred to resource plans) for delivering the long term capital needs. These resource plans will be analysed and ultimately, Halifax Water will select the least cost option that fulfills the performance requirements established at the outset.  What is important to know is that Halifax Water is developing the IRP for the long term capital needs for the infrastructure it owns, operates, and maintains. Decisions about processes and infrastructure outside of Halifax Water's control and responsibility cannot be incorporated into the terms of reference for this IRP.	11-Apr-11
18	Section 3.0 - Scope I also agree with comments in the notes that the broader scope will need to be considered in the Regional Plan – currently due for a review. It would be prudent to incorporate many of the IRP comments through the review process.	05-Apr-11	Anna McCarron		Halifax Water will be a participant in the Regional Plan update and will have the opportunity to inform that process about the results and goals of the IRP.	11-Apr-11