

**Joint Meeting of the Basin Advisory Committees, South Saskatchewan River Basin (SSRB)
Water Management Plan - Phase One. Meeting Notes (Calgary) Tuesday, January 22, 2002**

ATTENDEES:

Al Kennedy	Industry, Red Deer BAC
Alan Pentney	Southern Region, Alberta Environment
Andrea Czarnecki	Southern Region, Alberta Environment
Arthur Eckert	Municipal, Red Deer BAC
Arthur Grenville	Municipal, Red Deer BAC
Bill Shaw	Municipal, Red Deer BAC
Bob Morrison	Southern Region, Alberta Environment
Brian Hammond	Upstream Rural Municipalities, Oldman BAC
Cheryl Bradley	Ecosystem Protection, Oldman BAC
Cheryl Dash	Southern Region, Alberta Environment
Colin Kure	Environmental/Recreation/Tourism, Red Deer BAC
Corlaine Gardner	Environment, South Saskatchewan BAC
Danielle Ancelet	Southern Region, Alberta Environment
Doug Kaupp	City of Lethbridge, Oldman BAC
Doug Ohrn	Southern Region, Alberta Environment
Doug Thrussell	Central Region, Alberta Environment
Douglas Fleming	Municipal, Red Deer BAC
Dug Major	Municipal, Red Deer BAC
Duncan Lloyd	Downstream Towns and Villages, Oldman BAC
Floyd Haas	Rural Municipalities, Agriculture (other water users), South Sask. BAC
Frank Wetsch	Urban Municipalities, South Saskatchewan BAC
Gary Kindrat	Ecosystem Protection, Bow BAC
Greg Conn	Agriculture, Red Deer BAC
Greg Nikles	Industry, Oldman BAC
Heinz Unger	Ecosystem Protection, Bow BAC
Howard Heffler	Recreation, Bow BAC
Ian McFarlane	Environmental/Recreation/Tourism, Red Deer BAC
Jim Webber	Irrigation, Bow BAC
John Rusling	Nova Chemicals
Judy Stewart	Urban Municipal, Bow BAC
Kent Berg	Southern Region, Alberta Environment
Ken Stiles	Ranching/Stock-watering, Bow BAC
Larry Nolan	Agriculture (other water users), Oldman BAC
Laurent Conard	Southern Region, Alberta Environment
Lawrence Williams	Central Region, Alberta Environment
Len Mitzel	Rural Municipalities, Agriculture (other water users), South Sask. BAC
Margaret Coutts	Environmental/Recreation/Tourism, Red Deer BAC
Mark Bennett	Bow River Basin Council Technical Support
Menno Homan	Bow River Basin Council Technical Support
Neil Hollands	Urban Municipal, Bow BAC
Norm Carlson	Health Authorities, Bow BAC
Peter Watson	Southern Region, Alberta Environment
Ralph Bourque	Upstream Towns and Villages, Oldman BAC
Richard Phillips	Irrigation, Bow BAC
Rob Wolfe	Southern Region, Alberta Environment
Rod Bennett	Alberta Agriculture, Food and Rural Development
Roger Drury	Water Power, Bow BAC
Saba Gnanakumar	Headworks (AENV), Bow BAC
Sandy Larsen	Southern Region, Alberta Environment
Sarah Hamza	Bow River Basin Council Technical Support
Stan Klassen	Irrigation Agriculture, Oldman & South Saskatchewan BAC
Steve Meadows	Industry, Bow BAC
Terry Krause	Central Region, Alberta Environment
Tish Kilburn	Water Power, Bow BAC
Tom Tang	Southern Region, Alberta Environment
Vince Fabian	Municipal, Red Deer BAC

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INTRODUCTORY REMARKS:

- Doug Ohrn welcomed members to the meeting and reviewed the agenda.
- Break out groups will be used to identify aspects of the draft plan that are satisfactory, and those that are not, and develop proposed solutions.
- Bob Morrison reviewed the three questions assigned to the BACs. He then went on to review draft matters and factors to be considered, holdbacks and transfer evaluation as outlined in the draft Water Management Plan (WMP).
- **Question:** Will the deadline for comments be extended?
Response: No decision made to date. (Note: later in the meeting the deadline was extended to February 11, 2002.)
- **Question:** Why only economic and social impacts on agriculture and rural communities.
Response: Just an example. Feel free to add other suggestions if you wish.

SUMMARY OF OPEN HOUSES:

Doug Ohrn: Approximately 35 people attended the **Medicine Hat** Open House. Key issues raised included: opposition to a water market, the importance of the type of water use, and issues of monopolies. Tone was positive and the questions were often technical.

Approximately 43 people attended the **Lethbridge** Open House, including the MLA and Mayor of Lethbridge. Key issues raised included: should GST be charged on transfers, general comments on the commodification of water, the importance of conservation measures, and the open houses were not advertised well enough.

Doug Thrussell: Approximately 30 people attended the **Red Deer** Open House, including 3 media representatives. The tone of the meeting was mixed.

Approximately 15 people attended the **Drumheller** Open House. The tone was positive.

Approximately 40 people attended the **Bindloss** Open House. The tone was very positive.

The key issues at these meetings were: speed of process, long-term impacts on rural economy and social impacts, some technical questions, impacts of water commodification, and NAFTA implications.

Bob Morrison: Approximately 55 people attended the **Calgary** Open House. Approximately 34 people attended the **Brooks** Meeting. Similar concerns as previously noted. Key issues raised included the timing issue, and buying and selling of water (both positive and negative aspects). It was noted that comments raised at the Open Houses are provided in the public input summary document.

SUMMARY OF MEETING:

Peter Watson:

- Thanked everyone for taking the time to be here today and commented on the excellent contribution to date. He noted that there are still issues to be discussed. The goal was to have a water transfer plan in place for this irrigation season.
- With regards to timelines, the deadline for comments from the BACs will be extended until February 11th.
- Government lawyers are looking at aspects of NAFTA as they affect transfers.
- It was noted that transfers have been occurring in the past through Cabinet approval.
- Transfers will help influence behaviour (conservation and efficiency). Transfers will allow people to reduce risk.

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- The Water Act and the Draft South Saskatchewan River Basin Water Management Plan have to be consistent.
- Appeal processes for decisions on holdbacks and transfers exist.
- Licenses in good standing came up as an issue on many occasions with the concern that never before used water could possibly be transferred. This would have impacts on other users. It was noted the three years of non-use and reasonable prospects for use must both be considered to determine good standing.
- Apportionment was also raised. Peter noted that this is government policy and that Phase 2 will delve into this deeper.
- **Question:** The Director will be authorized to withhold 10%: This was not agreed to by our BAC (Bow).
Response: The Water Act allows up to 10% if the Water Management Plan allows it. Peter noted that few objections to holdbacks have been heard. He highlighted some of the elements to be considered by the Director and noted that temporary transfers are also subject to holdbacks if in the public's interest.
- **Question:** What direction does the Water Management Plan actually provide? It seems to simply reiterate what is in the Water Act
Response:
 1. Authorization of water allocation transfers
 2. The matters and factors that must be considered;
 3. Authorization of holdbacks;
 4. Transfers evaluation.

These are all included in the Water Management Plan as a result of BAC and public involvement.
- Peter noted the difficulty in speculating on events that cannot be foreseen and noted that the Water Management Plan has been developed in synch with the Framework for Water Management Planning.
- Doug encouraged members to review the Framework for Water Management Planning. Copies were provided at the meeting.

ISSUES REQUIRING RESOLUTION:

- Each group gathered to discuss the draft plan, and to identify the aspects of the draft plan that are satisfactory and those that are not, listed by priority.

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Bow River BAC	Oldman & S. Sask. River BACs	Red Deer River BAC
<p>Highest Priority Issues</p> <ul style="list-style-type: none"> • Make the evaluation an annual report. • Should Phase 2 happen before Phase 1 is implemented? • How is this going to be paid for? • How to handle holdbacks? Replace the existing holdback position with the Bow BAC consensus of 10% unless the holdback is not needed. <p>Other Issues</p> <ul style="list-style-type: none"> • Things to keep: <ul style="list-style-type: none"> ○ Keep what's there. ○ Structure is fine. ○ Transfers are a powerful tool that should be used wisely. • Reorganize exactly like the Framework. • Identify the key topics raised in each sub-basin. • Summarize where there was consensus or lack of it. • Do Phase 2 before implementing transfers. • Clarify the ability to cancel vs. the ability to transfer. • Define "public interest," e.g., how do we know when a transfer will affect other uses? • Evaluation of transfers: enrich the wording, decide what will be tracked, track what people are worried about. • Wishy-washy on plan review. Use specific criteria for what will trigger a review. • Seek and add endorsement of the BACs. • Add criteria to the list of matters or factors that must be considered. • In Table 1, change "or" to "and" in the phrase "existing, potential, or cumulative." • Basic flaw in process is onus is placed on Alberta Environment. Put onus on applicant to prove that a holdback is not needed. • The three criteria for approving holdbacks are too narrow. • The 10% holdback has to be mandatory until the end of Phase 2. • Explicitly recognize sub-basins as a level for planning. • Two parties need to provide a rationale regarding holdbacks: the applicant & the director. • Section 11: Add urban communities to economic/social impacts. • Clarify that seniority goes with holdbacks • Identify communications strategy for directors' decisions and future information about the plan. • For multiple transfers, only holdback once. • Provide applicants with a realistic time frame for when they will receive a decision by type or class of transfer (e.g., amount of water). • Add the terms of reference as an appendix. • Treat holdbacks the same way as land planning treats reserves (i.e. take 10% as a standard procedure). • Municipal development plans have not been considered. • Add the Bow River Basin Council as a planning initiative. • Maximize value of water. Shouldn't water go to the highest value? • Is there public agreement on transfers as a management tool & for protecting the aquatic environment? 	<p>Highest Priority Issues</p> <ul style="list-style-type: none"> • Holdbacks: need clarification of interim strategy before water conservation objectives are established. Lack of criteria and science to support it. • Use it or lose it: cancellation. History of use – that transferred water was used in the past. "Real" water not "paper" water. • Be clear in Table 1 about "must" vs. "may." • Apportionment: Impact of transfers on equity between basins. • Statement that Phase 1 may be amended after Phase 2. • "BACs were focal points..." "Every effort was made to ensure..." Need to change wording to accurately reflect what happened.. <p>Other Issues</p> <ul style="list-style-type: none"> • Water quality factor: What is the science and the criteria? What are the standards and how are they set? • Be more explicit about aquatic environment vs. human use, the need and the balance. Ensure user needs are not lost. • Economic & social impacts/benefits: How will economic criteria/trends be measured & applied? • Regarding appeals, how is "directly affected" determined/defined? The details of public notification are needed. • The Province should not be a buyer of water allocations. • Address monitoring/auditing of use/transfers, etc. 	<ul style="list-style-type: none"> • Should the default holdback be 10% until the end of Phase 2? • Should unneeded holdbacks be returned to the seller? • Alberta Environment should pay for withheld water. • Define "basin closure." • How will ground water be handled? • Apply a lien against holdbacks in case they are not needed. • Criteria that the Director uses to make the decision on holdbacks: discretion and interim measures.

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- Following lunch, spokespersons from each BAC provided highlights of items considered high priority. Items of higher priority have been highlighted in the above section.
- Oldman & S. Sask. River BAC: Comments were largely focussed on how holdbacks could or should be implemented.
- **Question:** How can Alberta Environment review transfers applications with all the new matter and factors to be considered?
Response: Peter indicated that the process is not much different that what is already in place.
- One member had concerns that we are now back again to asking if transfers will proceed: He was told this was a given at the start of the process. Others that noted that the Water Management Plan is incomplete and hence should not even be considered until it is fully completed.
- Peter highlighted the rationale for the phased approach from a project management perspective (work with sections).
- Another member discussed the concept of risk and noted that the government should take greater responsibility.
- One member felt that Phase 1 should hold off until Phase 2 is complete, and noted if transfers are a given, then holdbacks should be a given. Peter referred to the two as being separate items, albeit clearly linked and noted that the 10% was not really an agreed upon number in earlier discussions (therefore, the “up to 10%”).
- Another member noted that the bottom line of holdbacks was to get water back into the stream, therefore minimize impediments to this.
- One member suggested the 10% default until the completion of Phase 2 and continue with transfers and holdbacks.
- Another noted transfers would continue to occur so let’s move on.
- A suggestion was made to have Phase 1 expire in a year.
- It was noted the two plans would be combined after Phase 2 completion.
- A suggestion was put forward to proceed with transfers and withhold at 10% until Phase 2 is completed, then the holdbacks should be reviewed.
- Peter noted that current transfers are based on the best available information.
- Peter also noted how water sharing and collaboration were used successfully during the last year of low water flows.
- One member noted that hydrological information was distributed to members last year, clearly showing the need for the 10% and, hence, it should be a simple decision. Another member felt that having a 10% lien of transfers should be considered until such time that Phase 2 is completed.
- Four discussion groups were formed with representatives from each sub-basin. Six questions were discussed:
 1. **Should we proceed with transfers?**
 2. **Should we have holdbacks?**
 - **Prior to Phase 2**
 - **What is fair?**
 - **What can be done?**
 3. **Are the “musts” and “mays” identified correctly?**
 4. **Should sub-basin apportionment be a matter or factors that must be considered?**
 5. **What types/how often should reviews/reports be conducted?**
 6. **Should licences continue to be issued until Phase 2 is approved/completed?**
- A spokesperson from each of the three groups provided highlights of response/ideas to the six questions raised.

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Questions	Group 1	Group 2	Groups 3 and 4
#1	Yes	Yes	Yes
#2	Yes, 10% holdback with a lien	Yes, there should be holdbacks prior to Phase 2 <ul style="list-style-type: none"> • Holdbacks should be 10% with the director's discretion to take less • Provide a provision on holdbacks to return "excess" after Phase 2 completed. • Start developing criteria for holdbacks in Phase 2. 	Yes, 10% holdback with a lien subject to the results of Phase 2
#3	Make sure the matters or factors in Table 1 are "musts."	All matters or factors in Table 1 should be "musts." Make just one list; delete the 2 sub-headings.	Yes, as it stands in Table 1. All items in Table 1 are "musts."
#4	Split decision	Not resolved clearly. Provide a sunset clause that Phase 1 expires at the end of 2003.	This needs to be addressed in greater depth.
#5	Provide an annual report and be specific about the factors that will be covered	Report annually on information that is readily recorded. Report in 5 years on other matters.	An updated website could meet most needs. More "ownership" must be recorded. More complex topics should be done as new data becomes available.
#6	Split decision	No	Yes
Other issues raised	<ul style="list-style-type: none"> • Sub-basin apportionment should also be tied to licence decisions. • Put water into off-stream storage. • Better use of water should be considered. • Not having sub-basin apportionment limits economic growth in the Red Deer Basin. • Let the market decide what the sub-basin apportionment should be • Alberta Environment should not transfer "paper" water. 		<ul style="list-style-type: none"> • Concerns with sub-basin apportionment with regard to priority, the application, & issues of equitability. • Why does the Phase 1 plan not meet all the requirements of the Terms of Reference concerning instream needs? The Terms of Reference states that stressed river reaches will be identified. This has not occurred.

- Doug re-iterated that February 11, 2002 is the deadline for all comments.
- Doug highlighted Phase 2 objectives and asked if the BACs would prefer to have general discussions about Phase 2 before the terms of reference are prepared or should Alberta Environment prepare a draft which the BAC's would discuss.
- It was agreed the BACs would critique draft Terms of Reference.
- The BAC's were invited to provide comments on the consultations that occurred with them and the general public during Phase 1 and what could be done better in Phase 2.

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- Terry Krause volunteered to be the contact for any comments on improving the process. Terry can be contacted at:

Central Region
Alberta Environment
3rd Floor, Provincial Building
4920 - 51 Street
Red Deer, Alberta T4N 6K8

e-mail: Terry.Krause@gov.ab.ca
telephone: (403)340-4979
fax: (403)340-5173

- Compilation of public comments will be made available to BACs.

ADJOURNMENT

- Peter thanked all members for their hard work and assistance.
- Peter noted that the Minister's Water Strategy would be announced around the same time as the start of Phase 2.
- Doug thanked members and indicated that a final draft would be made available.