

November 30, 2016

Hon. Glen R. Murray, MPP
Minister of the Environment and Climate Change
11<sup>th</sup> Floor, Ferguson Block
77 Wellesley Street West
Toronto, ON M7A 2T5

# **RE:** City of Guelph's Submission to the Ministry of the Environment and Climate Change Regarding Ontario's Water-Taking Regulations

The Council of the Corporation of the City of Guelph adopted the following resolution at its meeting on Monday, November 28, 2016:

- 1. That Council direct staff to provide the Ministry of the Environment and Climate Change (MOECC) with the attached itemized package, (identified as attachment 1 to Staff Report CAO-I-1610) to consider in its review of water-taking policies.
- 2. That Council support the Province's moratorium on the issuance of new or increasing permits for water bottling until January 1, 2019. Thereby prohibiting any new or increased use of groundwater taking in Ontario for bottling, to allow the MOECC to undertake a comprehensive review of the rules that govern water bottling facilities in Ontario. The City of Guelph recommends that elements of the review include, but not be limited to, costs charged to large water users, excluding municipalities, and the composition/disposal of plastic bottles.
- 3. That Council recommend the province develop a provincially funded, comprehensive water management program. The program and associated regulatory changes should ensure:
  - an evidence (science) and principle-based approach to water-taking in the province
  - a precautionary approach to the future sustainability of water quality and quantity
  - community or public water needs are a recognized priority
  - a balance between economic opportunities and environmental sustainability
  - adequate funding to municipalities to support the implementation and management of the framework
- 4. That Council direct staff to provide MOECC with the attached correspondence (identified as attachment 2 to Staff Report CAO-I-1610) as the City's formal response to the EBR Registry Number: 012-8783, entitled "A regulation establishing a moratorium on the issuance of new or increasing permits to take water for water bottling."
- 5. That Council direct staff to continue to promote the overall quality of Guelph's drinking water and the consumption of municipally-treated tap water in the city. This includes the City's continued master planning for long-term sustainability of Guelph's water supply to accommodate growth



targets and community needs (i.e. the Water Supply Master Plan), as well as tap water promotion through programs such as the City's Blue W and Water Wagon at community events.

- 6. That Council direct staff to continue to promote reduction of waste and encourage recycling and reuse within the Guelph.
- 7. That given the recommendations noted above and contained within Staff Report CAO-I-1610, the motion made by Councillor Gordon and amended by Councillor Gibson at the September 26, 2016 Council meeting, which read "That Council, with administrative assistance from Intergovernmental Relations, Policy and Open Government staff, submit comments through the Ontario Environmental Registry Process expressing Guelph's concern about the future sustainability of water-taking from the watershed shared by the City of Guelph" be withdrawn.
- 8. That Council recommend to the Province that the review include appropriate consultation with First Nations communities impacted.
- 9. That Council recommend to the Province that water bottling companies be mandated to directly promote reduction of waste and encourage recycling and reuse of plastic water bottles.

Enclosed, please find staff Report CAO-I-1610 – "City of Guelph's Submission to the Ministry of the Environment and Climate Change Regarding Ontario's Water-Taking Regulations" containing comments and correspondence from City of Guelph residents and stakeholders received and/or presented at the Council meeting at which this report was considered. Also included in the report is the City of Guelph's formal response to the EBR Registry Number: 012-8783, titled "A regulation establishing a moratorium on the issuance of new or increasing permits to take water for water bottling". This submission has been provided via standard and electronic mail.

Should you have any questions, please contact Barbara Swartzentruber, Executive Director, Intergovernmental Relations, Policy and Open Government at barbara.swartzentruber@guelph.ca.

Sincerely,

Stephen O'Brien, City Clerk

Encl.

cc. Office of the Mayor, City of Guelph Derrick Thomson, Chief Administrative Officer



Scott Stewart, Deputy Chief Administrative Officer for Infrastructure, Development and Enterprise Services

Barbara Swartzentruber, Executive Director, Intergovernmental Relations, Policy, and Open Government

Peter Busatto, General Manager, Environmental Services

Cathy Kennedy, Manager, Policy and Intergovernmental Relations

Hon. Liz Sandals, MPP, Guelph

Leo Luong, Manager, Ministry of the Environment and Climate Change, Climate Change and Environmental Policy Division, Land and Water Policy Branch

# Staff Report

To City Council

Service Area Office of the Chief Administrative Officer

Date Monday, November 28, 2016

Subject City of Guelph's Submission to the Ministry of the

Environment and Climate Change Regarding Ontario's

Water-Taking Regulations

Report Number CAO-I-1610

#### Recommendation

- That Council direct staff to provide the Ministry of the Environment and Climate Change (MOECC) with the attached itemized package, (identified as attachment 1 to Staff Report CAO-I-1610) to consider in its review of water-taking policies.
- 2. That Council support the Province's moratorium on the issuance of new or increasing permits for water bottling until January 1, 2019. Thereby prohibiting any new or increased use of groundwater taking in Ontario for bottling, to allow the MOECC to undertake a comprehensive review of the rules that govern water bottling facilities in Ontario. The City of Guelph recommends that elements of the review include, but not be limited to, costs charged to large water users and the composition/disposal of plastic bottles.
- 3. That Council recommend the province develop a provincially funded, comprehensive water management program. The program and associated regulatory changes should ensure:
  - an evidence (science) and principle-based approach to water-taking in the province
  - a precautionary approach to the future sustainability of water quality and quantity
  - community or public water needs are a recognized priority
  - a balance between economic opportunities and environmental sustainability
  - adequate funding to municipalities to support the implementation and management of the framework
- That Council direct staff to provide MOECC with the attached correspondence (identified as attachment 2 to Staff Report CAO-I-1610) as the City's formal response to the EBR Registry Number: 012-8783,

entitled "A regulation establishing a moratorium on the issuance of new or increasing permits to take water for water bottling."

- 5. That Council direct staff to continue to promote the overall quality of Guelph's drinking water and the consumption of municipally-treated tap water in the city. This includes the City's continued master planning for long-term sustainability of Guelph's water supply to accommodate growth targets and community needs (i.e. the Water Supply Master Plan), as well as tap water promotion through programs such as the City's Blue W and Water Wagon at community events.
- 6. That Council direct staff to continue to promote reduction of waste, recycling and reuse within the Guelph.
- 7. That given the recommendations noted above and contained within Staff Report CAO-I-1610, the motion made by Councillor Gordon and amended by Councillor Gibson at the September 26, 2016 Council meeting, which read "That Council, with administrative assistance from Intergovernmental Relations, Policy and Open Government staff, submit comments through the Ontario Environmental Registry Process expressing Guelph's concern about the future sustainability of water-taking from the watershed shared by the City of Guelph" be withdrawn.

## **Executive Summary**

## **Purpose of Report**

On Monday, November 7, 2016 a special Committee of the Whole meeting was held to receive City staff reports and public input regarding water and water-taking permits within Guelph and the surrounding area outside of the City's boundaries.

Two staff reports were presented: the first recommended a process to provide the Ministry of the Environment and Climate Change (MOECC) with feedback to its water-taking review process; and the second provided a technical briefing related to Nestlé Waters Canada's anticipated future permit to take water for its Aberfoyle plant.

Council endorsed the recommendation submitted by staff "that Staff be directed to consider public comments, made through delegations at the November 7, 2016 Committee of the Whole meeting, and report back to Council on November 28, 2016 with a recommended resolution for approval and submission to the MOECC regarding the Province's water-taking review process." The proposed tactics included:

- Working with MOECC to facilitate an in-person, open, public consultation session in Guelph
- Considering comments made by the public, through delegations, on November 7, 2016
- Submitting the applicable resolution and written comments to the Ministry of the Environment and Climate Change for review/consideration

• Providing MOECC with a videotaped recording of the delegations and Council meeting held on November 7, 2016.

A total of 30 delegations presented to Council, which provided a wide range of community input on this topic.

The purpose of this report is to submit recommendations for Council's consideration regarding the Province's review of water-taking policies. Given that Nestlé's application for a renewed Permit to Take Water has not been publicly posted to the Environmental Registry, this report will not speak to a proposed response to Nestlé's permit application regarding its Aberfoyle plant.

## **Key Findings**

On November 7, 2016, Council held a special Committee of the Whole meeting to receive staff reports and community input regarding water and water-taking permits within Guelph and the surrounding area outside of the city's boundaries. A total of 30 delegations led by citizens and businesses presented to Council. Varying and sometimes conflicting positions regarding the water-bottling industry were presented. A key and common principle expressed by most delegates and echoed by staff and Council, was the need for an evidence or science- based approach to water planning and use in the province.

MOECC has taken important steps to recognize this principle through its proposed two-year moratorium on new or expanded water takings from groundwater by water bottling companies, as well as potential stricter rules for existing permits. While the proposed moratorium is in place, in the context of overall water management in Ontario, the MOECC will also consider new science, public reporting and operating rules. Comments on the Environmental Registry are welcome until December 1, 2016.

From a technical perspective, City staff recommends that the following needs be addressed through the proposed regulation:

- A broad application to other non-municipal water takers and priority for municipal water takings in order to meet provincial growth targets.
- Better management of bottling permit approvals and performance; ensuring permits do not compete with current or future municipal water takings.
- Ensuring that water bottling permits adapt to climate change and drought and encourage efficient water use.
- Encouraging the reduction of packaging waste, wherever possible and requiring product producers to assume the full cost of product waste diversion.

• Cost recovery support for the Province and municipalities related to administration and enforcement of the regulation in order to improve the scientific understanding of the resource and protecting the resource.

## **Financial Implications**

Staff anticipate that any changes to provincial permits to take water legislation may also impact on the City's own permits. While the proposed recommendations call on the province to provide adequate funding to support the implementation and management of the framework, staff would incorporate additional costs related to these changes into future budgets presented to Council for approval.

### Report

## **Background**

On September 26, 2016 Council passed a motion stipulating "that Council, with administrative assistance from Intergovernmental Relations, Policy and Open Government staff, submit comments through the Ontario Environmental Registry Process expressing Guelph's concern about the future sustainability of water-taking from the watershed shared by the City of Guelph. And further "That this motion be referred to the November 7, 2016 Committee of the Whole Meeting."

Intergovernmental staff submitted the report #CAO-I-1609 entitled "Process to Support the City's Submission to the Ministry of the Environment and Climate Change Regarding Ontario's Water-Taking Regulations." to the November 7, 2016 Committee of the Whole meeting.

The report recommended that in addition to inviting the MOECC to facilitate an inperson, open, public consultation session in a convenient location in Guelph, the City provide the MOECC with the following to satisfy Council direction:

- Applicable staff reports and associated presentations presented to Council on November 7, 2016 and November 28, 2016
- Copy of delegation presentations delivered during the Committee of the Whole meeting on November 7, 2016
- Video recording of Committee of the Whole Meeting

At that meeting, Council passed the motion "that Staff be directed to consider public comments, made through delegations at the November 7, 2016 Committee of the Whole meeting, and report back to Council on November 28, 2016 with a recommended resolution for approval and submission to the Ministry of the

Environment and Climate Change regarding the Provinces' water-taking review process".

#### Staff Input

Water Services staff with input from Solid Waste Services, Planning, Engineering Services, and Source Water Protection Planning have reviewed the Environmental Registry posting and provided written comments to address the following major concerns. These comments, incorporated as correspondence in Attachment 2 are provided to the Province for their consideration in drafting the proposed regulation:

- The need for the regulation to apply broadly to other non-municipal water takers and prioritize existing and future municipal water takings that support growth targets identified by the Province.
- The need for the regulation to better manage where, based on groundwater availability, and how (class environmental assessment approach with consideration of source protection planning) water bottling permits are approved and to prevent these permits from competing with current or future municipal water takings.
- The need for water bottling permits to require self-monitoring and be adaptable to climate change, encourage efficient water use and compliance with Ontario's low water response strategy for drought.
- The need to encourage the reduction of packaging waste, wherever possible and requiring product producers to assume the full cost of product waste diversion.
- The need to support cost recovery for the Province and municipalities related to administration and enforcement of the regulation, improving the scientific understanding of the resource, and protecting the resource.

#### **Community Input**

The Committee of the Whole meeting on November 7, 2016 provided citizens and businesses the opportunity to voice opinions and facts regarding local water taking. Divergent positions were expressed that ranged from support for the employment and economic benefits of the water-bottling industry to concerns regarding the need to properly monitor and manage all water-taking—including the taking of water for profit. Consistent themes identified the need for the following: a comprehensive water policy and management system that is both evidence (science) and principle-based; a precautionary approach to ensuring the future sustainability of water quality and quantity; effective and meaningful provincial consultations with indigenous groups and priority for community or public water needs. Further, a provincially funded, water management program was recommended to ensure risks are identified and managed to ensure sustainability for the future.

#### Recommendations

Given that the substantial elements of the motion made by Councillor Gordon and amended by Councillor Gibson at the September 26, 2016 Council meeting have been addressed in this current report, it is recommended that this motion be withdrawn (See Recommendation #8). Additional recommendations as proposed provide actions for the City to continue its leadership/stewardship on the matter of responsible and sustainable water resource management, while respecting Provincial growth targets and community needs. Furthermore, it offers Guelph's voice and varying perspectives to assist the MOECC in their review of current water-taking regulations. It is clear that the City of Guelph, a Blue Dot community, supports sustainable, clean and safe drinking water now and in the future.

#### Financial Implications

City staff anticipate that any changes to provincial permits to take water legislation may also impact on the City's own permits.

While the proposed recommendations call on the province to provide adequate funding to support the implementation and management of the framework, staff would incorporate additional costs related to these changes into future budgets presented to Council for approval.

## **Corporate Strategic Plan**

- 2.3 Ensure accountability, transparency and engagement.
- 3.3 Strengthen citizen and stakeholder engagement and communications.

#### Communications

The City will continue to promote responsible and sustainable water-taking practices, municipally-treated tap water, water conservation and source water protection.

The City will also build on the MOECC's efforts to inform the Guelph community of opportunities to participate in local water-taking review matters.

#### **Attachments**

- ATT-1 City of Guelph Package for MOECC
- ATT-2 City of Guelph Response to EBR Registry Number: 012-8783, entitled "A regulation establishing a moratorium on the issuance of new or increasing permits to take water for water bottling."

## **Approved By**

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## **Approved By**

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### **Recommended By**

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ATT-1 to CAO-I-1610

# Supplementary Information provided to the Ministry of the Environment and Climate Change (MoECC)

The following items are included in the Ministry of the Environment and Climate Change (MoECC) submission package, but are not enclosed in the Council agenda package:

- Guelph Water-Related Questions and Answers (<a href="http://guelph.ca/living/environment/water/nestle/">http://guelph.ca/living/environment/water/nestle/</a>)
- Recording on Compact Disk of the November 7, 2016 Special Committee of the Whole Meeting.
- Delegation presentations and speaking notes authorized for release to MoECC from the November 7, 2016 Special Committee of the Whole Meeting (see consolidated agenda at: <a href="http://guelph.ca/wp-content/uploads/special cow consolidated agenda 100716.pdf">http://guelph.ca/wp-content/uploads/special cow consolidated agenda 100716.pdf</a>)
- Art Work provided during children's delegation on November 7, 2016 Special Committee of the Whole

TO: Honourable Glen R. Murray,

Minister, Ministry of the Environment and Climate Change

Ferguson Block 11th Floor, 77 Wellesley Street West,

Toronto, Ontario

M7A 2T5

**DEPARTMENT:** Infrastructure, Development and Enterprise Services – Environmental Services Department,

Water Services Division

DATE: November 16, 2016

SUBJECT: City of Guelph Staff Comments on "A regulation establishing a moratorium on the issuance

of new or increasing permits to take water for water bottling"

The Ontario Ministry of the Environment and Climate Change (MOECC) has posted a Regulation Proposal Notice on the Environmental Registry entitled "A regulation establishing a moratorium on the issuance of new or increasing permits to take water for water bottling" - EBR Registry Number 012-8783 (the Regulation). The Regulation would establish a moratorium on the issuance of new or increasing permits for water bottling by prohibiting a person from using groundwater for the purpose of manufacturing bottled water or manufacturing water as a product that is sold in other types of portable containers.

In addition, and also of particular interest to the City of Guelph, the MOECC is proposing to undertake work related to groundwater use and overall water management in Ontario with respect to water taking permits. The Ministry will review the existing rules governing water takings in Ontario to determine if they are adequate to protect and conserve water for future generations.

The MOECC is accepting comments on the Regulation until December 1, 2016. City of Guelph staff—including Water Services, Solid Waste Services, Planning, Engineering Services, and Source Water Protection Planning—provides the following comments on the Regulation for consideration by the MOECC.

#### Staff Comments on Proposed Bottled Water Regulation

Make the Permit to Take Water (PTTW) Process Fair and Equitable - The proposed amendments suggest that the process to obtain a PTTW may be more onerous for bottled water/ manufacturing companies. This position appears to be based, in part, on the high consumptive use of bottled water. However, other water takers may also return little of the water they take to the source watershed. Furthermore, some water takings, such as quarry dewatering, remove water from a water supply aquifer that remains in the watershed, however it is no longer available as groundwater supply. For non-municipal water taking, if the MOECC's intent is to manage consumptive use and to preserve water for more beneficial uses, the MOECC should ensure that the PTTW process is fair and equitable for all water takings and end use types.

In addition, City staff has concerns that this change in the process may affect the municipal sector and increase the burden for municipalities seeking a new PTTW for a new municipal water supply. There is already a rigorous process to be followed for municipalities to obtain new municipal water supply under the existing regime.

<u>The Regulation Should Apply to All Water Sellers</u> - The regulation appears to be targeted specifically at water bottlers. Staff believes there is no distinction between water bottlers and the sellers of bulk water and that the regulation should apply to all sales of water, whether in small packaged containers or large water tankers. Furthermore, the regulation should apply to all takers of water for these purposes—including takers using less than 50,000 litres of water per day.

<u>Restrict Where These Water Takings Are Approved</u> - Water bottlers should only be allowed to obtain or maintain permits in locations with abundant, available groundwater that do not compete with municipalities for the same groundwater supply. Bottlers should not establish new permits or increased permits in areas already identified in source protection studies as quantity stressed. If the quantity risk ranking of a watershed changes to high risk, then the Province should have the ability to modify existing bottling permits to ensure water supply capacity is reserved for higher priority uses.

Furthermore, to initiate a new well, bottlers should be required to develop/model the wellhead protection area (WHPA) for the proposed taking to ensure the WHPA does not overlap with nearby current or future municipal water takings and the long-term water quantity of the aquifer. This information should also be included in any existing water quantity models for the watershed to ensure the long-term water quantity. In the case of overlap with existing or future municipal takings, the permit should be denied by the Province.

Requirement for Adaptive Management of Bottling Permits - Water bottling permits should have monitoring requirements linked to annual reporting. Based on the results of the annual reporting, the MOECC should have the ability, with reasonable notice, to modify the permits to reduce negative environmental impacts or impacts on other permit holders.

<u>Assessing a Price for Water Extraction</u> - Water bottlers and bulk water sellers should be assessed a volumetric price by the province that, at a minimum, covers the following costs currently paid by the province and municipalities:

- MOECC costs to administer and enforce this regulation and related permits to take water;
- Provincial and municipal costs for scientific studies and computer modelling to better understand the resource and the potential impacts of climate change; and the
- Provincial and municipal costs of protecting the resource, including localized source water protection implementation costs currently paid by municipalities.

<u>Encouraging Efficient Water Use</u> – Water bottlers should follow industry best practices to minimize the amount of water used in production to produce a finished product. This requirement would ensure that a minimal amount of water is wasted and that Ontario's finite groundwater supply is used efficiently.

Minimizing Waste and Full Producer Responsibility - Water bottlers should be mandated to use more environmentally sustainable alternatives to single-use, recyclable plastic bottles and take steps to minimize the potential for waste wherever possible. In alignment with the Hierarchy of Waste, after waste minimization measures have been exhausted, water bottlers should be responsible for fully funding the costs to dispose of their products' packaging. The costs should be inclusive of collection and disposal of materials that end up in the garbage stream including the cost of dealing with litter created by these same materials.

Producer responsibility should include all designated materials that enter the market place regardless of where they are placed for disposal (e.g. municipal collection, public consumption away from home and industrial, commercial and institutional collection). This also avoids any contradictory enticements for producers to not meet their diversion targets.

#### Staff Comments on Actions Planned During the Moratorium

Set Priorities for Water Use – At present, Ontario's permit to take water process is based on fair sharing, conservation and preservation of our water resources. However, as Ontario continues to grow under provincial growth targets, there will be competition for the finite water resources available for municipal water supply. The MOECC should consider establishing priorities for water use and placing municipal water supply as a high priority use, particularly in areas where there may be documented risks to available groundwater quantities. This priority setting may be achieved through the application and enforcements of Section 33 of the Ontario Water Resources Act wherein the MOECC Director can define an area for protection of public water supply. In addition, the MOECC should work collaboratively with and enable municipalities to maintain existing and develop new water supplies in order to meet growth targets under Places to Grow.

Level the Playing Field – Water takings for municipal water are assessed differently than other permitted water takings. New municipal water takings are generally assessed through a Class Environmental Assessment where alternatives are evaluated and the preferred alternative(s) are determined based on minimizing potential environmental impacts, public consultation, and the requirements of a permit to take water process. Non-municipal water takings are generally not assessed in the same comprehensive manner with only limited assessments and public comment. Non-municipal water takings should be subject to the same scrutiny and open public consultation process as municipal water takings, in addition to the enforcement of more detailed and comprehensive operational practices as proposed for the bottled water industry by the MOECC.

Recognize the Results of the Tier 3 Water Budget and Water Quantity Risk Assessments – Recently completed Tier 3 Water Budget programs have identified areas of risk for Significant Drinking Water Threats (SDWT) for water quantity. The designated wellhead protection areas for water quantity should be identified in any new rules for permitting water takings and ensure that water takings comply with Source Protection Plans under the Clean Water Act to protect drinking water sources. New PTTW in the SDWT areas should be restricted and/or screened

against the existing water takings in the area to ensure that new takings do not exacerbate the risks to municipal water sources. The screening of new water takings in the SDWT areas should consider application of the municipalities' Tier 3 water budget integrated groundwater-surface water models to aid in the approval decision making process. To maintain the Tier 3 groundwater flow models, as part of the re-evaluation of the rules for water taking and the examination of pricing tools, the MOECC should consider establishing a financially sustainable source of funding for municipalities to maintain and continuously improve the computer models.

<u>Support the Clean Water Act and Source Protection Policies</u> – The MOECC, in its review of the rules for water taking should consider providing more control to municipalities on water taking through the development of water quantity policies. For areas where Tier 3 studies have been completed, there is an opportunity to include new policies in the local source protection plan to manage water quantity threats and protect municipal drinking water sources. In some areas of the province, municipalities are competing for water supply capacity with bottled water and other industries. A comprehensive review and analysis of how such competing sectors can proportion and share groundwater resources needs to be completed as part of this review to ensure future municipal water supply capacity.

Improve the Knowledge Base of Groundwater Resources – In the discussion on advancing knowledge of water resource, the MOECC should consider distributing existing and new information generated as part of the existing PTTW program. In the current program, the MOECC requires the reporting of daily water takings across the province and most permits may also include monitoring of potential impacts of the water taking and requirements for annual reports. When combined with the MOECC water well record database, this geological and hydrogeological information represents an extensive database of information on the groundwater resources but it is not collected in a way that it can be used to improve the knowledge or management of Ontario water resources. The MOECC should consider investing in data management and public data sharing so the existing and future data can be easily applied to improve the conservation and protection of water resources in Ontario.

<u>Use New Rules to Protect Municipal Water Supplies</u> – The Regulation Proposal Notice states that the Ministry needs to ensure that the rules governing water takings are adequate to protect and conserve groundwater for future generations. If new rules are proposed, municipalities should be consulted in any discussions that may impact municipal permits; and the MOECC should provide fair consideration of all the facts it receives as comments regarding the maintenance and protection of municipal permits. New rules should be developed that offer municipalities the opportunity to provide sustainable supplies for the benefit of the local communities and should not add more constraints on municipal permits.

Achieving Provincial Growth Targets By Prioritizing Municipal Water Supplies – The City of Guelph is a groundwater based community that relies on groundwater for its municipal water supply. Therefore, as noted in the City's comments on the 2016 Provincial Co-ordinated Land Use Planning Review (specifically the proposed new Growth Plan for the Greater Horseshoe (Council Report 16-70), the availability of sustainable groundwater supplies must be a factor when allocating growth to the City, particularly for the 2031-2041 planning horizon.

The City must consider available and future municipal water supply when approving potential new non-municipal facilities, which requires water from the municipal water system for their operations. New rules for water taking should consider the economic value of the water taking, recognize constraints on available water taking and weigh the value against potential reductions in future municipal water supply capacity. Greater weight needs to be given to future municipal water supply requirements over non-municipal water-takings, in order to ensure groundwater-based municipalities like Guelph, can achieve provincially mandated population and employment growth targets.

Study Climate Change and Impacts on Future Water Takings - The City of Guelph is required, as part of the Drinking Water Quality Management System Risk Assessment Process, to review potential climate change impacts to the drinking water system. This includes reviewing the risk to municipal drinking water supply from drought. In its review of water taking, the MOECC should consider conducting or funding research on the Ontario climate change effects on groundwater resources to establish climate change models that can be used to study potential changes to the management of groundwater resources.

The City is an active member of the Ontario Low Water Response Program Team coordinated by the Grand River Conservation Authority. In response to low water conditions, the City has implemented an Outside Water Use Program that allows the City to reduce their water taking during a drought, as per the Ontario Low Water Response Program guidelines. The Ontario Low Water Response Program currently requests voluntary reductions of all water takings (Permit to Take Water holders) based on watershed and sub-watershed conditions. It is suggested that this program be reviewed by the MOECC, as part of the proposed regulation, to include mandatory water use restrictions for all non-municipal permit to take water holders when declarations of low water are made. These mandatory restrictions for permit holders should include a fine/fee structure that is appropriate based on the compliance requirements.

Adequately Resource Support and Enforcement of New Rules on the Issuance of Permits – It may be expected that new rules for permits to take water may increase the level of effort for the issuance of permits and the MOECC should consider increasing its staff resources to support the increase in demand for new and renewed permits. In addition, new rules will place a higher burden on enforcement of permit terms and conditions and therefore, more resources may also be required to ensure compliance with the new rules.

<u>Ensure Timely and Consistent Response to Drought</u> – Staff agree that water bottlers, through their water taking permits, should comply with directives of the Ontario's Low Water Response program that requires water takers to reduce their taking during times of drought.

<u>Consistency of Approach to Managing Permits</u> - The Province should consider that many of the concerns and recommendations presented here would apply equally to other major permitted water users including but not limited to water takings for agriculture, golf courses, mining and aggregate, and other wet process industries.

Yours truly,

Peter Busatto, General Manager of Environmental Services

Wayne Galliher, Water Services Plant Manager

Dave Belanger, Water Supply Program Manager

Peter Rider, Risk Management Official

Emily Stahl, Manager of Technical Services

John-Paul Palmer, Compliance Coordinator