

**MINISTRY OF ABORIGINAL RELATIONS AND RECONCILIATION
MEETING INFORMATION NOTE**

Date: May 6, 2014
File: 280-20
CLIFF: 201571 (34088)

PREPARED FOR:

Honourable John Rustad, Minister of Aboriginal Relations and Reconciliation
Honourable Mary Polak, Minister of Environment
Honourable Steve Thomson, Minister of Forests, Lands and Natural Resource Operations
Honourable Bill Bennett, Minister of Energy and Mines

DATE AND TIME OF MEETING: May 15, 2014; 3:00 - 4:00 pm

ATTENDEES:

Ministers: Mary Polak, John Rustad, Steve Thomson and staff
Secwepemc Chiefs: Nelson Leon (*Adams Lake*), Wayne Christian (*Splatsin*),
Shane Gottfriedson (*Tk'emlups*), Ron Ignace (*Skeetchestn*) and Paul Sam (*Shuswap*)

ISSUE: Key topics related to the Secwepemc Nation's Reconciliation Framework Agreement (RFA)

BACKGROUND:

The Secwepemc Reconciliation Framework Agreement (RFA) is a strategic engagement agreement that is meant to establish a government to government forum, a revenue sharing process and an engagement process. The Secwepemc Nation's RFA currently has five signatories: Tk'emlups to Secwepemc, Skeetchestn Indian Band, Adams Lake Indian Band, Shuswap Indian Band, and the Splatshin First Nation. The RFA was signed on April 10, 2013. Participating natural resource sector agencies include Ministry of Forests, Lands and Natural Resource Operations, Ministry of Environment excluding the Environmental Assessment Office and the Ministry of Energy and Mines.

MARR has been actively engaged with the RFA signatories to successfully implement the RFA. The parties have worked closely together to develop a number of key deliverables including:

- As part of the Government-to-Government (G2G) Forum, a Natural Resource Technical Council (NRTC) has been formed which includes representatives from the five signatory Bands and participating agencies. The NRTC meets on a monthly basis to discuss land management issues at a technical level;
- Also part of the G2G Forum, a Senior Council has been formed which includes senior level provincial staff from participating agencies and Councillors from the participating Bands;
- A streamlined consultation process that establishes a clearly understood process for

meeting the duty to consult; and,

- The Secwepemc are working on developing a centralized portal to receive and coordinate all referrals. Once implemented it is anticipated the portal will create enhanced consultation efficiencies for the Province.

There are a number of major projects within the signatories' territories including: New Afton Mine, the proposed Ajax, Ruddock Creek and Harper Creek mines and the proposed Kinder Morgan pipeline expansion.

DISCUSSION:

The Secwepemc Chiefs, signatory to the RFA, have requested a meeting with the Ministers to discuss the Agreement and the following topics could arise in the meeting:

- s.16

s.13,s.16,s.17

- s.16,s.17

s.13,s.16,s.17

Mining and Minerals Agreement (MMA): The Stk'emlupsemc te Secwepemc (SSN) (i.e. Tk'emlups and Skeetchestn Indian Bands) and the Ministry of Energy and Mines signed the Minerals and Mines Agreement (MMA) on April 7, 2009.

MEM, FLNRO and MARR are working closely together on the MMA. Please see attached Information Note prepared by MEM for more detail on the MMA.

- s.16

s.13,s.16,s.17

s.13,s.16,s.17

- **Ruddock Creek Mine:** Ruddock Creek is a proposed mine located in the traditional territories of Adams Lake Indian Band and three other bands not participating in the RFA (Neskonlith, Little Shuswap and Simpcw). s.16
s.16

s.13,s.16,s.17

- **Water Sustainability Act:** On April 29, Bill 18, the *Water Sustainability Act* (WSA), passed Third Reading in the Legislature and is expected to receive Royal Assent in the near future. The new Act includes new measures to protect stream health, regulate groundwater, address water use during times of scarcity and expand opportunities to participate in decision processes.

s.16

s.16,s.17

CONCLUSION:

The Province and the Secwepemc have a good relationship. There are a number of key projects within their traditional territory including the Ajax, Ruddock Creek and Harper Creek mines. Secwepemc have also expressed a strong interest in water stewardship. The Province is committed to continuing to work with the Secwepemc and to advancing our government to government relationship.

Contact:

Greg Perrins, MARR
250 828-4212

Alternate Contact:

Ian Graeme, MOE
250-356-6663

Prepared by:

Mike Blackstock, MARR
250 828-4172

Martha Anslow, MEM
250 953-3884

Ian Graeme, MOE
250-356-6663

John McQueen, FLNRO
250-828-4118

Reviewed by	Initials	Date
DM		
DMO		
ADM		
Dir./Mgr.	GP/JM/MA/IG	
Author	MB/IG	

Date: May 9, 2014
Cliff No.:84916
Ref: Cliff No. 84671 and 84469

**MINISTRY OF ENERGY AND MINES
BRIEFING NOTE FOR INFORMATION**

I PREPARED FOR: Honourable Bill Bennett, Minister of Energy and Mines

II ISSUE: Background to March 13, 2014 correspondence from Secwepemc Reconciliation Framework Agreement signatories to Ministers Bennett and Rustad

III BACKGROUND:

s.16

IV DISCUSSION:

Provincial staff in the Thompson Okanagan region are actively implementing the RFA including the clause 19.3 provisions to transition from the MMA. s.13,s.16,s.17
s.13,s.16,s.17

Clause 19.4 of the RFA states that the RFA is not intended to replace the MMA beyond the clause 19.3 provisions. However, the Province is working to do so to avoid duplication between the RFA and MMA in keeping with direction from the Province's Natural Resource Board on engagement and reconciliation agreements with First Nations.

The SSN has requested a May, 2014 meeting with provincial regional staff to fully discuss SSN's interests and concerns. Given the important relationship between the Province and the SSN (SSN are also signatories to a 2010 Economic and Community Development Agreement with the Province for New Gold's New Afton Mine Project near Kamloops), Ministry staff are working with other provincial agencies to set a meeting agenda with SSN. s.13,s.16,s.17
s.13,s.16,s.17

At this time, the Ministry generally understands SSN's preference for the MMA to be:
s.13,s.16,s.17

V CONCLUSION:

Ministry staff will continue to work closely with staff from the Ministry of Aboriginal Relations and Reconciliation and the Ministry of Forests, Lands and Natural Resource Operations to meet with and address SSN's interests and concerns, with a view to fully transitioning the MMA to the RFA over time.

PREPARED BY:

Martha Anslow
250-953-3884

REVIEWED BY:

Nathaniel Amann-Blake, ED ✓
David Morel, ADM ✓
David Nikolejsin, DM

Appendix 1 - Secwepemc Reconciliation Framework Agreement:

Other Agreements

19.1 The Parties have entered into Existing Agreements which include a commitment to consult in accordance with certain processes set out in those agreements.

19.2 The Parties agree that the consultation processes and government-to-government engagement structures set out in Existing Agreements will be superseded by the Agreement.

19.3 The Province and SSN agree to transition from the consultation process and the G2G structure within the Mines and Minerals Agreement (MMA) as follows:

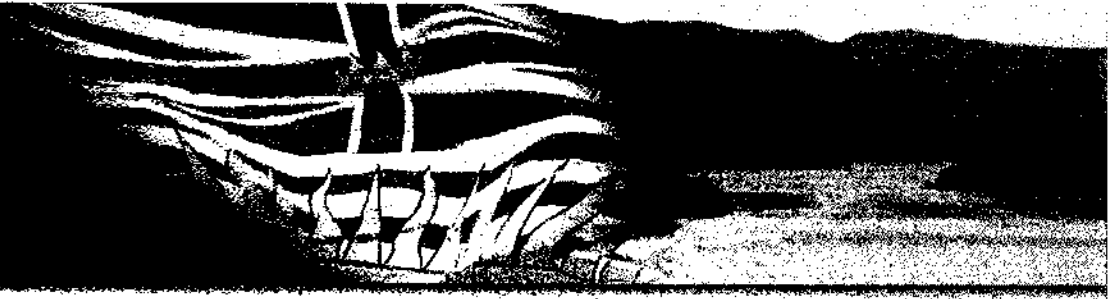
a) the consultation process under the MMA will transition to the Engagement Model under this Agreement within ninety (90) days of the Effective Date and that the transition will be guided by the spirit and intent of the MMA; and

b) the NRTC will develop a strategy to transition the Joint Resources Council established under section 5.1 of the Mines and Minerals Agreement into the G2G Forum within ninety (90) days of the Effective Date.

19.4 For greater certainty, except as provided by sections 19.2 and 19.3, this Agreement is not intended to replace the MMA.



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Water Sustainability Act

Approach to Treasury Board Submission

Ministry of Environment
Ministry of Forests, Lands and Natural Resource Operations

July 28, 2014



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Context

- *Water Sustainability Act* received Royal Assent on May 29, 2014
- Minister Polak has been directed to implement the *Water Sustainability Act* and complete the final consultations on water rates

s.12,s.17



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Objectives

- Begin to deliver on government mandate to implement the WSA in 2015/16 and complete engagement on fees and rentals
- Be fiscally responsible regarding new costs and revenue from fees and rentals
- Develop an administratively efficient implementation approach



Principles for implementation plan

- Adopt LEAN approach to existing and new business processes
- Place onus on applicant/licensee to complete work where practicable
- Phase in WSA regulations over time (business continuity and groundwater licensing first, stewardship to follow)
- Re-purpose existing resources to the extent possible
- Leverage efficiencies from ongoing and related projects (e.g., IM/IT requirements and NRPP)
- Manage implementation costs down. Where new resources are required clarify which are long-term program costs vs short-term to deal with start up and transitioning of existing GW users



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Water revenue

Context

- Water power fees and rentals are not included in the analysis

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Implications

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Program costs and revenue options

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Farmer in Cariboo Region

A farm in the Cariboo Water District on 80 acres of land under crown lease of which 20 acres are irrigated. Agricultural land is valued at approximately \$1,200/acre. Irrigation water generally falls under the Agricultural Waste Control Regulation so no discharge permit would be required. Alternatively, if a farmer is irrigating private land, the only authorization required would be the water licence.

Authorization	Fee Type	Current Rates	Future Rates
Crown Land Tenure	Application Fee	\$250	s.17
	Annual Rental (5% of land value)	\$4,800	
Water Licence - Irrigation	Application fee	\$150	
	Annual water rental (49,400m ³ /annually)	\$30	
Total		>\$5,230	
% of total that is water-related		<3.5%	

Other licenses that larger farming operations may hold include: storage conservation and land improvement, domestic, ponds and stock watering .



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Placer Mining Operation

A placer mining operation might affect 2 hectares which may take place on Crown land. The price of land varies across northern British Columbia however, an average land price could be approximately \$4,500/ac.

Authorization	Fee Type	Current Rates	Future Rates
Crown Land Tenure	Application fee	\$500	s.17
	Annual rental – general industrial (8%)	\$720	
Notice of Work	Permit Fee	\$0	
Licence to Cut	Application fee	\$0	
	Stumpage (350m ³ /ha*2*\$5.00/m ³)	\$3,500	
Water Licence – Mining (Placer)	Application fee	\$500	
	Annual water rental (m ³ /annually)	\$397	
Total		>\$5,617	
% of total that is water-related		<16%	



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Industrial/Commercial - Guide Outfitter

Hunting guide outfitter in Thompson Okanagan Region offers a guided moose hunting trips whereby the hunting lodge is on private land, but the trips take place, at least in part, on park land and therefore a park use permit is required. If the horses used by the outfitters are grazed on private land, then no grazing licence would be necessary. In a year where 100 hunters harvest 75 moose, the firm's operating costs could be as follows:



Guide Outfitters

Authorization	Fee Type	Current Rates	Future Rates
Guide outfitter licence	Per person guided (\$500)	\$50,000	s.17
	Per animal taken (\$125)	\$9,375	
Park Use Permit	Application	\$250	
	Review fee (8 hours)	\$400	
Water Licence – Enterprise	Application fee	\$150	
	Annual water rental (7,300m ³ /annually)	\$100	
Water Licence – Stockwatering	Application fee	\$150	
	Annual water rental (1,460m ³ /annually)	\$25	
Total		>\$60,450	
% of total that is water-related		<0.71%	



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Domestic users

- Domestic water licensees are those individuals that hold a licence to use water in a household, on a garden not exceeding 0.25 acres (0.1 ha)
- Generally, domestic licensees are located in rural areas that are not served by local or municipal waterworks systems.
- Typically one household requires $2.25 \text{ m}^3/\text{day}$.
- Currently, domestic water users pay an initial water licence application fee of \$100 and an annual water rental rate of \$0.60/1000 m^3 or \$25, whichever is greater.

s.17

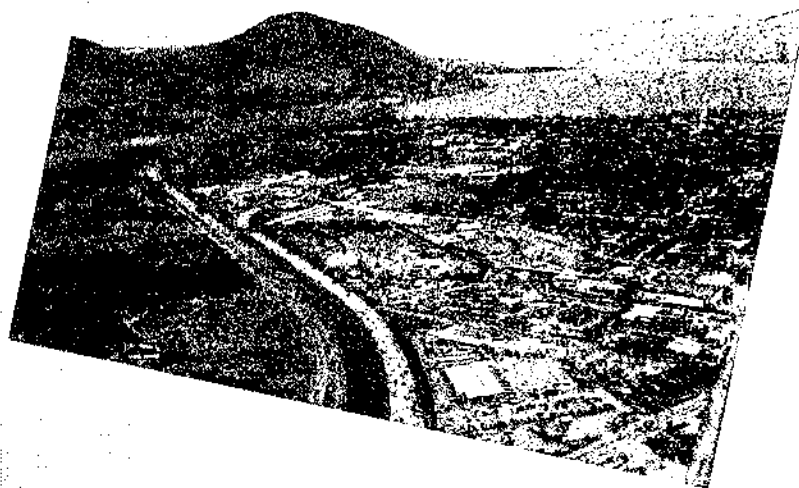




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Local Authority

The Town of Waterville holds seven waterworks licences for 13,000,000 m³/year of water. As well as providing its 30,000 residents with drinking water services, Waterville provides water for the local restaurants, grocery stores, an amusement park and a number of light industrial operations such as auto body, custom furniture, and fabrication shops. The amusement park uses a small volume of water for which it pays the minimum. The town also has one storage licence for 18,000 m³/year for which it also pays the minimum fee. In addition to the water licences listed below, the Town of Waterville also would likely have waste discharge permits, pesticide permits, amongst others.



Authorization	Fee Type	Current Rates	Future Rates
Waterworks	Application Fee	\$10,000	s.17
	Annual Rental Fee (18,000,000 m ³ /annually)	\$11,818	
Storage	Application Fee	\$150	
	Annual Rental (Minimum)	\$25	
Permit over Crown Land	Application Fee	\$500	
	Annual Rental (\$7.50/ha)	\$15	
Water Licence - Amusement Park	Application Fee	\$500	
	Annual Minimum	\$100.00	
	Total	\$23,108	
Per capita costs		\$0.77	



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Upstream natural gas production

A natural gas facility with a capacity to process no more than 1.4 million m³/day of natural gas is located in the Peace Region.



Authorization	Fee Type	Current Rates	Future Rates
Well Permit	Natural gas well – 3 wells	\$37,200	
Pipeline Construction Permit	Application fee	\$2,000	
	Construction fee – 200 km	\$280,000	
Natural Gas Facility Permit	Application fee (Class A)	\$25,000	
Permit to Construct an Oil and Gas Road	Construction permit (15 km of road – all season access)	\$600	
Environmental Assessment	Pre-certificate fee	\$150,000	
Crown Land Tenure	Application Fee (waived)	\$0	
	Annual Rental (waived)	\$0	
Waste Discharge Permit	Application fee	\$200	
	Annual permit fee	\$100	
	Discharge fee (11 tons hydrocarbons)	\$185	
Water Licence – Road maintenance, mining equipment, oil field injection	Application fee (3 water use purposes)	\$1,500	s.17
	Annual water rental (40,000 m ³ of surface water annually)	\$100	
	Total	>\$496,885	
	% of total that is water-related	<0.3%	

**MINISTRY OF ENVIRONMENT
MEETING INFORMATION NOTE**

November 24, 2014

Date of previous note: June 19, 2014

File: 280-30

CLIFF/tracking #: 212034

X-reference: 207652

PREPARED FOR: Honourable Mary Polak, Minister of Environment

DATE AND TIME OF MEETING: November 25, 2014, 5:00 pm. Room 112

ATTENDEES: Honourable Mary Polak, Minister of Environment
Wes Shoemaker, Deputy Minister
Lisa Matthaus, Organizing for Change
Oliver Brandes, Polis Institute

ISSUE(S): Meeting with Organizing for Change regarding progress on their campaign initiatives.

BACKGROUND:

“Organizing for Change” is a project focused on developing more effective approaches to advancing environmental policy initiatives in BC consisting of the following organizations: Canadian Parks and Wilderness Society - BC Chapter; Conservation Northwest; Dogwood Initiative; Ecojustice; ForestEthics; Georgia Strait Alliance; Greenpeace; Pembina Institute; Sierra Club BC; West Coast Environmental Law; and Wildsight.

Lisa Matthaus is the provincial lead for Organizing for Change, the Campaign’s Director at Sierra Club BC. Oliver Brandes, co-director of the POLIS Institute at the University of Victoria and lead on the POLIS Water Sustainability Project will be accompanying Lisa to join the discussion on the *Water Sustainability Act* (WSA).

DISCUSSION:

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SUGGESTED RESPONSE:

s.13,s.16,s.17

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s.16;s.13;s.17

Attachment 1: Coalition statement of support on the WSA

Contact:

Mark Zacharias, ADM

*Environmental Sustainability & SP
250 356-0121*

Alternate Contact:

Anthony Danks,

Executive Director

*Strategic Policy Branch
250 387-8483*

Prepared by:

Laura Feyrer, Senior

Policy Advisor

*Strategic Policy Branch
250-387-9796*

Reviewed by	Initials	Date
DM	-	-
DMO	VJ	Nov 24/14
ADM	MZ	November 24/14
Exec. Director	AD	
Dir	LP	
Author	LJF	Nov 24/ 2014

Statement of Support for B.C. Water Sustainability Act and Regulations

November 13th, 2014

ATTN:

Hon. Michael de Jong (Minister of Finance and Chair of Treasury Board)

Hon. Mary Polak (Minister of Environment)

Hon. Steve Thomson (Minister of Forests, Lands and Natural Resource Operations)

Re: Ensuring meaningful and adequate engagement with First Nations and providing sufficient resources for implementation of the B.C. Water Sustainability Act

Water is critical to life. It is also essential to economic and community prosperity. Protection of precious water resources must be a priority. British Columbians welcome the new *Water Sustainability Act* (WSA) for its improved freshwater protection and opportunities for modern water management and governance.

It is critical that the WSA and its regulations are brought into force and implemented in a timely manner, as the changes articulated in the legislation are long overdue. We write now to urge you to take action on two critical issues essential to the success of WSA implementation:

- 1. Ensure First Nations' interests are meaningfully and adequately addressed in the development of regulations supporting the WSA through direct consultation on a government-to-government basis.** Recent Supreme Court decisions recognizing and affirming aboriginal rights and title indicate First Nations must be full participants in developing the legislative framework and decision-making processes around land and water use. First Nations have not been properly consulted during the WSA drafting process and concerns remain high that consultation for the current regulatory development processes will not be satisfactory. The WSA has implications for constitutionally protected aboriginal rights and title and thus requires a high level of engagement at the individual nation level. To ensure First Nations' interests are meaningfully engaged in the development of regulations supporting the WSA, First Nations must be consulted directly on a government-to-government basis. This serves to not only help satisfy the Crown's legal obligations, but also works to establish relationships of trust. It is this relationship that ultimately forms the basis upon which the Province and First Nations can advance mutual interests and reconcile the past.
- 2. Provide adequate and sustained funding for the new water law regime.** Important decisions about water licence pricing (including groundwater) and resourcing the implementation of the WSA are underway. We believe that the WSA must be fully implemented to achieve its promised benefits. Sufficient resources must be made available to support not only development of the new and necessary regulations, but also their implementation. We recognize that financial resources are limited and the new regulations will have cost implications. The current review of water licence pricing offers a good opportunity to generate the needed resources. At a minimum, full administrative costs associated with drafting and implementing the regulations should be recovered from water users in the province through the increase in water licence pricing currently being considered.

Given the vital importance of fresh water to our communities, our economy, and British Columbia's future, this Statement of Support seeks to assist the Province in addressing two existing challenges facing the successful implementation of the WSA.

This statement is the result of a recent workshop attended by a diversity of organizations—including First Nation groups, watershed boards, funders, stewardship groups, academia, and experts in policy and law—working on issues related to water sustainability, both across the province and regionally. This group of water leaders has been meeting regularly since 2009 to facilitate collaboration and help create an innovative and robust water law regime in B.C. As hosts of the recent workshop, Oliver Brandes (omb@uvic.ca) and Raluca Hlevca (water@polisproject.org) can be contacted for further discussion or questions regarding this Statement of Support.

Prepared by: Adaptation to Climate Change Team (ACT), Simon Fraser University; B.C. Wildlife Federation; Canadian Freshwater Alliance; Convening for Action Vancouver Island (CAVI); Living Lakes Canada; Nechako Environment and Water Stewardship Society; Organizing for Change; Partnership for Water Sustainability in B.C.; POLIS Project on Ecological Governance, University of Victoria; Real Estate Foundation of B.C.; University of British Columbia–Okanagan; Watershed Watch Salmon Society; WaterWealth; WWF–Canada

cc:

Peter Milburn (Deputy Minister of Finance)
Tim Sheldan (Deputy Minister of Forests, Lands and Natural Resource Operations)
Wes Shoemaker (Deputy Minister of Environment)
Mark Zacharias (ADM, Environmental Sustainability and Strategic Policy)
Terry Lake (Vice-Chair of Treasury Board)
Dan Ashton (Member of Treasury Board)
Shirley Bond (Member of Treasury Board)
Stephanie Cadieux (Member of Treasury Board)
Rich Coleman (Member of Treasury Board)
Simon Gibson (Member of Treasury Board)
Greg Kylo (Member of Treasury Board)
Norm Letnick (Member of Treasury Board)
Michelle Stilwell (Member of Treasury Board)

Minister Polak's Introductory Remarks Roundtable on Environment and Economy

Thursday, September 18, 2014

- As part of bringing the new *Water Sustainability Act* into force, Government is contemplating changes to water fee and rental rates and released a discussion paper on water pricing principles in March 2014.
- During the month-long public input period, government received over 130 submissions and comments through the *Water Sustainability Act* blog and via email.
- Public comments on the discussion paper have been reviewed and analyzed. A consistent message in public feedback is that water is undervalued.
- We also heard concerns about the potential impact of higher water rates on business competitiveness and also the need to consider impacts to water users and the water resource.
- The proposed fee and rental schedule being introduced today is informed by the principles we engaged on and the feedback received. It also builds on changes made to the fee schedule in 2006-2009 by improving fairness and simplicity by consolidating fees for similar water uses.
- It is proposed that fee and rental rates be set to recover the costs of implementing the *Water Sustainability Act* including groundwater regulation.
- Changes are proposed for all water users. Although some of the changes are significant, about 88% of surface water users would see increases of \$100 or less and 77% of non-domestic groundwater users \$250 or less.

- For municipal water systems, the increase would generally translate to about a \$1-\$2 per year for individual households.
- Currently BC's annual water rental rates are among the lowest in Canada and this ranking would not change with the proposal.
- In the coming weeks the Ministry will be meeting with key user groups to share its analysis, discuss the proposal and invite feedback before a final proposal is presented to government for decision later this year.
- I would now like to introduce Ted White who will lead you through the proposal.