



DRINKING WATER SOURCE PROTECTION

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The Ontario Drinking Water Stewardship Program: *Looking Ahead*

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Program Review

- The design and delivery of the Ontario Drinking Water Stewardship Program (ODWSP) needs to change to align and adapt to the Source Protection Planning process.
- The Ministry of the Environment (MOE) has initiated a review of the ODWSP to:
 - determine how its purpose can be fulfilled beyond 2009; and
 - consider how the program should evolve as the source protection planning process progresses.
- The Minister has asked Source Protection Chairs to seek input to this program review from key local stakeholders.

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Ontario Drinking Water Stewardship Program - Background

- The *Clean Water Act, 2006* (CWA) established the Ontario Drinking Water Stewardship Program (ODWSP).
- The ODWSP is an innovative program to provide financial assistance to landowners, farmers and others affected by the CWA as well as entities providing education, outreach and incentive programs.
- This provision in the CWA is unprecedented in Ontario.

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The Ontario Drinking Water Stewardship Program – Year One

- The 2007-08 Stewardship Program funded projects to protect municipal drinking water sources in advance of assessment reports and source protection plans taking effect.
- Funding was provided for such actions as:
 - well decommissioning and upgrading;
 - septic system upgrades;
 - removal of leaking fuel storage tanks;
 - fencing livestock from water sources.
- Delivery model was a formal request for proposals and application process:
 - applications reviewed by a core team at the MOE;
 - decisions about funding made based on criteria developed by ministry staff, with input from the Stewardship Advisory Council, MOE legal counsel and business and fiscal planning staff.

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The Ontario Drinking Water Stewardship Program – Year Two

- The 2008-09 ODWSP generally mirrors the 2007-08 Stewardship Program, with some minor changes and additions to the eligible projects criteria and delivery model.
- The Early Actions program was delivered locally by conservation authorities (CAs) and the Ontario Federation of Agriculture (OFA), through the Ontario Soil and Crop Improvement Association (OSCIA).
- Funding for Special Projects and Education & Outreach was disbursed by the MOE.

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The Ontario Drinking Water Stewardship Program – Beyond 2009

- As the Source Protection Planning Process progresses, the ODWSP must change to align and adapt with the process.
- In the third and fourth year of the stewardship program, the assessment reports will be completed, identifying who may be affected and what activities may be a threat.
- The original intent of the ODWSP can then be realized.

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The Ontario Drinking Water Stewardship Program – Beyond 2009 (cont.)

- Interim risk management plans may be put into effect during this period, with associated costs to landowners for implementation.
- Source Protection Plans will begin to be developed during this period:
 - potential to link the delivery model of the ODWSP to the plan policies as they are developed;
 - Source Protection Committees, as they are drafting the policies, could recommend who would receive funding.
- Education and outreach programs during this period could play an important role in ensuring stakeholders are engaged in the preparation of assessment reports and source protection plans.

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The Ontario Drinking Water Stewardship Program – Program Review

- We want your views on how the program scope and delivery model should change through the third and fourth funding years (2009-10 to 2010-11).
- Source Protection Chairs will report back to the MOE on the results of these local consultations, and they will form the basis for revising the ODWSP framework.
- MOE will also seek input from provincial associations/organizations.
- A revised ODWSP framework will then be posted on the Environmental Registry for public comment.
- All comments will be accepted and considered by the MOE.

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Not in Scope of the Program Review

- Extension of the ODWSP beyond committed funding schedule (2011).
- Consideration of amendments to the CWA, 2006 to provide for compensation.
- Government allocation of funds.
- Re-visiting the April 2007 recommendations and program guiding principles of the Stewardship Advisory Panel



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Considerations – Program Scope

- Consultations on the CWA in 2006 – MOE heard that rural landowners may be affected in the following ways:
 - Loss of productivity;
 - Devaluation of land;
 - Cost to comply with source protection policies.
- Are there any other ways a landowner may be affected by the CWA?
- How should actions to mitigate the underlying risks to source waters be prioritized for the ODWSP?

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Considerations – Program Scope

- Under what circumstances should ODWSP financial assistance be provided to affected persons?
 - Interim Risk Management Plan implementation;
 - Assessment Report identifies significant drinking water threats;
 - Assessment Report identifies “other” drinking water threats.
- Should the ODWSP continue to fund voluntary activities?
- How should these circumstances/activities be prioritized?

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Considerations – Program Scope (cont.)

- Should the ODWSP continue to specify types of projects eligible for funding, e.g. well decommissioning, or should it be left open?
- Should the ODWSP continue with the same targeted areas?
 - Surface Water Intakes: Intake Protection Zone-1 (IPZ-1);
 - Wellheads: Two-Year Time-of-Travel.

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Considerations – Program Scope (cont.)

- Should the program continue the existing funding categories?
 - Education and Outreach
 - programs to inform the public about the CWA, the ODWSP, and the drinking water source protection planning process;
 - Early Actions
 - landowner projects that directly protect municipal drinking water sources;
 - Special Projects
 - to complement Early Actions and Education & Outreach initiatives carried out by landowners, CAs, municipalities, non-government organizations, and First Nations.

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Considerations – Program Scope (cont.)

- If and when should municipalities provide matching funds?
- Should municipalities get funding if their operations pose a threat?

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Considerations – Delivery Model

- Who should administer the program?
 - Provincial government;
 - Funding partners;
 - Municipal government;
 - Others?
- In what capacity?
 - Application reviews;
 - Recommendations to approving Director;
 - Disbursement of funds.

Current Program Delivery Model:

- Early Actions funds distributed by the local CAs and the OFA in partnership with the OSCIA for local community programs; and
 - The opportunity has been provided for new program administrators to apply for Early Actions funds through a Request for Grant Proposal.
 - Special Projects and Education & Outreach funding disbursed by MOE.
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- Note that regardless of who administers the program, the MOE Transfer Payment Directives must be met.

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Considerations – Delivery Model

- What should the application/evaluation process consist of?

Current Application/Evaluation Process:

- O. Reg. 287/07 requires application to be submitted for all three ODWSP components;
- Three application submission periods replaced “first come, first served” procedures
- When multiple applications are received in a submission period, they are:
 - Assessed for eligibility;
 - Assessed against the selection criteria; and,
 - Ranked against each other on the basis of the criteria assessment in order to prioritize.

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Considerations – Delivery Model

- What other funding programs exist that could be leveraged?
 - Ministry of Natural Resources (MNR) Land Acquisition Program;
 - Lake Simcoe Program;
 - Environmental Farm Plan;
 - Community Go Green Fund;
 - Municipal programs?
 - Other?

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Considerations – Delivery Model (cont.)

- Should the government consider tax incentives?
 - If yes, for what, how and when?
- Should the “reverse auction” approach be considered to fund projects?
 - Reverse auction is a competitive bid process where interested parties “bid” on stewardship funds, so that funds are provided to the most cost effective applications first.