

Financing Source Water Protection

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Financing Source Water Protection

Revenue Raising Measures

Measures that recover source protection costs:

Water Charges and Taxes

Cost Saving Measures

Measures that reduce source protection costs:

Land Conservation Incentives and Green Banks Program

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Water Taking Levies

- ✓ **Manage water resources** (*including monitoring, data gathering, information dissemination*)
- ✓ **Regulate takings**
- ✓ **Provide incentives for technologies that conserve water**

Domestic Uses

Commercial/Industrial Uses

Agricultural Activities

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Water Taking Levies

Fees for water takings are common in other jurisdictions

Canada (British Columbia and Nova Scotia)

U.S. (Minnesota)

Europe (France, Spain, Netherlands, Denmark)

A fee for water taking permits in Ontario could cover the costs of monitoring and enforcing compliance with the program and permit conditions and make the water use and supply data available for decisions on permits.

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Discharges to Water Levies

- ✓ Recover water quality management costs.
- ✓ Encourage polluters to invest in mechanisms to reduce wastewater and their their impact on the environment

Direct discharges to water

U.S. (New Jersey, Louisiana, and Washington, have programs based on measuring both the quantity and quality of pollutants)

Europe (Netherlands, Denmark, Germany)

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Full-cost pricing

Operating expenditure, depreciation, a return on capital employed for water supply, sewerage and treatment

Linear Pricing - Spreads costs over a wider population

Differential Pricing - Increasing block rates, peak hour surcharges, seasonal rates, and excess loading surcharges, incentive to control use

Full cost pricing in the U.S. and Australia

Europe (Germany, Netherlands, UK, France)

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Fertilizer/Pesticide Levies

- ✓Monitoring and research
- ✓Agricultural pollution clean-up
- ✓Technical assistance regarding the use of alternatives to hazardous chemicals

Farm applied nutrients and pesticides

U.S. (Wisconsin, Iowa, Minnesota, Oregon - surcharges on sales, charge for product inspection, registration and/or Licensing fee)

Europe (UK, Sweden, Finland, Denmark)

Denmark - differential levy on pesticides

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Sealed Surface Charge (Germany)

- ✓ Treatment of rainwater run-off
- ✓ Incentive to cover suitable surfaces with porous stones

Other Revenue Raising Measures

- Real Estate Transfer Tax
- Eco-tourism
- Lotteries
- Green Credit Cards

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Cost Saving Measures

Land Conservation Incentives

Own or control land in upstream watershed or ground water recharge areas

U.S. – Washington, Florida, Maryland

Purchase of Agricultural Conservation Easement Programs (PACE)

Compensate property owners for restricting the future use of their land

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Sustainable Farm Management Plans

Incentives and cost sharing programs to adopt less polluting farm management practices (New York City)

An Ecological Gift or Ecogift (Ontario)

Donation of land from a private or corporate landowner to the federal government, a province or a municipality, or to a charitable organization

The Green Banks Program (Manitoba)

A voluntary, stewardship-based initiative that has focused on riparian fencing, new cattle grazing and management systems

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Promotion of Technologies That Conserve Water

- **Ultra low flush toilet**
- **Horizontal axis washing machine**

(The City of Toronto provides rebate to residents who buy water efficient toilets and washing machines)

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Conclusions:

- **Water Charges and taxes based on user pay and polluter pay principles**
- **Water conservation measures (both incentives and deterrents) need to be promoted rigorously**
- **Further discussion necessary to define exact revenue raising programs for source water protection**