

## **Halifax Water Stormwater Billing FAQ January 2013**

### **What is Stormwater Billing?**

On January 9, 2013 Halifax Water filed a two year rate application with the Nova Scotia Utility and Review Board (NSUARB). The rate application requests increases in water and wastewater rates, and new stormwater rates, effective July 1, 2013 and April 1, 2014.

Currently, wastewater and stormwater are jointly billed, on the basis of water consumption. In an effort to assign costs to those customers who generate stormwater, the utility is proposing to separate the stormwater charge from the combined wastewater/stormwater charge to provide a more equitable user pay system. For non-residential customers (ie.. multi-residential, commercial, industrial and institutional), the proposed stormwater rates will be based on the area of impervious (asphalt, concrete etc...) surfaces which generate more stormwater, and therefore costs to the stormwater system. Non-residential with large impervious (asphalt, concrete etc...) surfaces such as parking lots and roofs will be charged based on surface area (square metres).

If approved, residential customers will see a flat stormwater charge, based on average property conditions.

- Effective July 1, 2013, residential customers will see an annual stormwater charge of \$53.20 implemented.
- Effective April 1, 2014 the annual stormwater charge for residential customers would be \$58.67.

Throughout 2011 and 2012, Halifax Water conducted a cost of service study, as directed by the NSUARB. Through meetings and workshops held with stakeholders, a separation of stormwater service was agreed to, in principle. A result of this process was the development of the Water, Wastewater and Stormwater Cost-of-Service Rate Design Manual, available on our website at [www.halifaxwater.ca](http://www.halifaxwater.ca).

Existing stormwater charges are combined with wastewater charges, which are based on consumption. Cost of service principles indicate that charges should be based on factors related to the costs incurred for stormwater management, and the cost drivers.

### **How will the charges be calculated?**

Based on the cost causation principle (ie. user pay), stormwater charges are frequently, and increasingly, structured on the basis of the impervious area of a property. Typically, the impervious area of a single-family residential customer is measured and an average impervious area is calculated. For other types of users (e.g. multi-residential, commercial, industrial and institutional), the specific impervious area of the property is typically measured and used directly as the basis for charges to individual customers. This industry best practice is the methodology proposed by Halifax Water. Halifax Water will be using satellite imagery to obtain the measurement of impervious area.

Impervious surfaces generate a much higher rate and volume of stormwater runoff than pervious surfaces. Examples of land surfaces that are typically considered to be impervious are asphalt, concrete, brick, roofs, and rock.

The stormwater rate will be divided into two parts – one for street right-of-way related flows, and one for site generated flows.

### **Who will receive this charge?**

The stormwater charge is a two-part charge:

- All customers will pay the public street right-of-way charge based on the impervious area of the property regardless of where they discharge their stormwater. The primary purpose of this rate is to manage the stormwater on the street right-of-ways and recognize the benefit provided by stormwater management in the public street right-of-ways. Stormwater management in the public street right-of-ways helps mitigate flooding on private and public property, and also helps ensure safe transportation of people, goods and services.
- The site generated flow rate is paid by those that contribute flows to the Halifax Water system based on the impervious area of the property.

Residential properties (up to four units) will pay based on an average impervious area of 186 m<sup>2</sup>, while all other customer types will pay based on site specific measurement of the impervious area.

### **How is the rate determined?**

The rate is set to ensure we collect the revenue required to meet the capital and operating needs of the stormwater system.

Capital includes funds for capital maintenance, replacement, expansion, and/or upgrading of the stormwater infrastructure (ie, pipes, manholes, ditches, curbs, culverts and stormwater holding tanks/ponds/dams, ditches).

Operating funds are what is required to meet the day-to-day needs to operate and maintain the stormwater system. This would include the inspection, cleaning and repair of piping, manholes, ditches, curbs, culverts, ditches, dams, holding tanks, ponds, and the staff and equipment required to perform these tasks.

As submitted in the rate application, the rate of the stormwater charge is proposed:

Right-of-Way charge: \$0.171 per square metre  
Site Generated Flow: \$0.115 per square metre

For residential customers, based on an average impervious area of 186 m<sup>2</sup>, the charge, effective July 1, 2013, would be calculated as:

Right-of-Way:	186 x \$0.171 = \$ 31.81
Site Generated Flow:	186 x \$0.115 = <u>\$ 21.39</u>
Total annual charge	= \$ 53.20
Quarterly charge	= \$ 13.30

For multi-residential, commercial, industrial and institutional, the charge will be based on specific site measurement of impervious area.

**I live in a subdivision with ditches on the side of the road. Why do I pay for stormwater?**

A ditch and culvert system is intended to accept and carry away stormwater runoff from the road and from the private properties that drain to it. Such a system requires routine inspection, maintenance and repair to ensure that it functions as intended. Typical examples of ditch and culvert maintenance are: removal of debris, cutting of trees and other vegetative matter growing in the ditch, repair or replacement of culverts at the end of their service life, repair and lining where the ditch has eroded, and regrading of ditches where silt and gravel have accumulated.