



Ministry of Environment Water Stewardship Division

New Water Rental Rates Effective January 1st 2006 (Waterpower Producers)

On January 1st, 2006, new water rental rates came into effect for water licences and supporting permits on Crown land. The last change in rental rates was in 1994.

British Columbia's water rental rates were out of date and required a major overhaul to bring into balance water conservation, equitable water use pricing and the provision of key water management services. The new rates strike a balance between appropriately pricing the water resource and supporting economic development.

The new rent structure also simplifies billing by reducing the number of water user categories from 90 to 9, shifts measurement from imperial to metric and replaces several flat fee rentals with volume-based fees.

Unlike the old system, similar water users will now have the same rate. For example, agriculture, nurseries and greenhouses will have the same rate. Table 1, on the following page, summarizes the new sector-based rent structure.

Table 1: New Annual Water Licence Rental Rate Structure

New Sector	New Annual Rental Rate Based on Volume (per 1,000 cubic metres)	Minimum Annual Rent for Sector
Agriculture	\$0.60	\$25.00
Aquaculture	\$0.08	\$100.00
Conservation & Land Improvement	\$0.01	\$25.00
Domestic	\$0.60	\$25.00
Industrial/Commercial	\$0.85	\$100.00
Mining and Petroleum	\$1.10	\$100.00
Storage	\$0.01	\$25.00
Waterworks (water supply)	\$1.10	\$100.00
Water Residential (supplied by the landowner to residence)	\$0.01	\$100.00

As a large number of water rental rates under the former system are being consolidated there will be both increases and decreases to annual rental charges

Higher volume users will be billed above the minimum rent. Most rent increases above the minimum rent will be phased in over a four-year period (2006 to 2009).

Water licence rents which are applied to commercial and general hydroelectric (waterpower) production are **not** included in the new water rent structure. However, water rental rates for **storage licences supporting waterpower** will receive higher rents under the new structure.

A single rental rate is now being applied for all water licences which provide water storage. The former water rent structure contained separate rental rates for storage licences which supported waterpower as well as non-waterpower water use (e.g. irrigation).

The former rental rates for storage supporting **waterpower** production were \$4.00 for 2,000 acre-feet a year or less, and \$2.00 for each additional 1,000 acre-feet or fraction thereof (equivalent to approximately \$0.002 per 1,000 cubic metres).

The former rental rates for storage supporting **non-waterpower** (e.g. irrigation) were \$11.00 for Each 2,000 acre-feet or less, and \$5.50 for each additional 1,000 acre-feet a year or fraction thereof (equivalent to approximately \$0.004 per 1,000 cubic metres).

Table 2 provides the new rental rate which will be applied to all storage licences.

Table 2: Annual Water Rental Rates for Storage (per 1,000 cubic metres)

Water Use Purpose	2006	2007	2008	2009	Minimum Rent (2006 to 2009)
Storage	\$0.006	\$0.007	\$0.008	\$0.01	\$25.00

The annual rental rates for permits over Crown land (PCLs), which support dam sites, works and flooding authorized by a water licence, have also been revised. The former rate for PCLs supporting **dam sites** is \$48.00 for each acre or fraction thereof (equivalent to approximately \$118.00 per hectare).

The former rates for PCLs supporting **works** (e.g. pipelines) and flooding were \$6.00 for 2 acres or less and \$3.00 for each additional acre or fraction thereof (equivalent to approximately \$7.40 per hectare). Refer to Table 3 for the new PCL rates.

Table 3: New Annual Rental Rate Structure for Permits Over Crown Land

Crown Land Permit Type	New Annual Rental Rate Based on Area (per hectare)	Minimum Annual Rent
Dam Sites	\$120.00	\$50.00
Flooding and Works	\$7.50	\$10.00