

2003/12/01 UPDATE ON CONTAMINATED SITES

Third Stage Amendments to the Contaminated Sites Regulation for Fees

Fees for ministry contaminated sites services have been largely unchanged since April 1997. They were introduced in July 1995 as part of the Contaminated Sites Fees Regulation under the *Waste Management Act.* In April 1997 they were incorporated into the new Contaminated Sites Regulation (the Regulation).

Why Have the Fees Been Amended?

In January 2003, the Advisory Panel on Contaminated Sites, which reviewed the contaminated sites provisions of the *Waste Management Act*, recommended a new fee regime with:

- fees for reviewing remediation of high risk sites and for other services;
- clear, reasonable fees proportionate to the services provided;
- standard fees specified in a table; and
- market-level hourly rates charged when staff provide professional services.

Also, as part of a government-wide review of fees and licences, and as part of the ministry's Service Plan, the ministry compared the contaminated sites fee revenues with costs of delivering the Contaminated Sites Program. This comparison revealed that fee revenues did not cover Program costs.

Fees under the Regulation were therefore amended effective December 1, 2003, to enhance cost recovery.

Highlights of Fees Amendments

Key amendments to the regime include:

- increasing some of the existing fees, decreasing others and introducing 18 new fees;
- providing fees both in lump sum and hourly rate format.

More detailed descriptions of the amendments are provided in Fact Sheets 20 "The Site Registry" and 25 "Fees for Contaminated Sites Services".

Changes to Section 9 of the Regulation

This section has been revised significantly:

- For many services, in addition to fees listed in Tables 1 and 2 of Schedule 3 of the Regulation, a new hourly fee of \$150 is levied for work done on behalf of the ministry (see new section (15)).
- For a subset of those services, clients are provided a credit towards hourly fees payable (see new section 9 (9)).
- Usually where there is no listed fee, or the service being provided relies on the advice of a member of the roster of professional experts, the first hour of staff time is free, and subsequent services are charged at \$150/hour (see new section 9 (15) (b)).
- Resubmission charges have increased from 20% to a maximum of 50% for reports

going through direct ministry review (see new section 9 (11)).

- The surcharge for using the external review process, renamed the "external consultant review" process, has increased from 20% to 30%.
- Provisions for the timing of fee payments have been replaced with new section 9 (18) enabling the director to authorize or require fee payments by invoice, by installments or in advance of a service being provided on behalf of the ministry.
- New subsection 9 (15) (c) enables the recovery of travel costs incurred by staff for work on specific sites.
- New fee reductions have been provided for reviews of screening level risk assessments.
 They will come into effect when such risk assessments are described in a Protocol signed by the director of waste management.

Changes to Section 10 of the Regulation

This section has been amended so it deals solely with environmental professionals who carry out reviews of reports and plans under contract to the ministry. External contract reviewers are now legally able to review confirmation of remediation, risk assessment and environmental impact reports for the ministry. Amendments to contracts with the external contract reviewers will be needed to follow up this change.

Changes to Table 1 of Schedule 3

In addition to general increases in fees in this table, a number of the fees have been consolidated, particularly for site registry searches.

Fees for retrieving and reprinting documents have been deleted. They will now be levied according to policies set by our Corporate Services Division, at \$30 per hour and 25 cents per page over 20 pages.

Fees for searching special waste, waste discharge permit and other electronic databases have been set at \$100 per database.

Changes to Table 2 of Schedule 3

Major simplification of this table has been achieved by deleting provisions for site size. Contaminated sites fees are no longer based on this factor. In addition, new fees have been set for services associated with:

- confirmation of remediation reports
- transfer agreements for mine sites
- indemnifications under the *Financial Administration Act* for mine sites
- background determinations
- site-specific standards
- wide area sites
- inspection, monitoring and verification
- consulting, negotiating and advising on a specific site.

In addition, fees for submissions where the ministry relies on the advice of a rostered professional have been increased. The time and expense of auditing roster submissions has turned out to be much greater than anticipated when rostered professional submissions were introduced in 1999.

For more information, contact the Environmental Management Branch, at (250) 387-4441.

JEHW December 2003