

Fees for Contaminated Sites Services

The ministry supports the “polluter pays” principle, which holds that those responsible for causing contamination should be responsible for paying to clean it up. In the case of contaminated sites, those clients wishing to use ministry services to help them meet their legal obligations can do so for a fee. Fees for these services are set out in the Contaminated Sites Regulation, under the *Environmental Management Act*.

Background

For many years, ministry staff reviewed, at no cost, reports and plans on contaminated sites at the request of consultants, local government officials, and land owners. In the mid-1990s, the number of case files increased substantially while ministry budgets decreased. To help compensate for increased operating costs, fees for several review services were introduced in 1995 through the Contaminated Sites Fees Regulation.

When the Contaminated Sites Regulation came into effect in April 1997, it mandated additional fees for service. However, a subsequent amendment to the Regulation (in July 1999) reduced ministry review fees for applicants who used the services of a professional on the Roster of Professional Experts (now called “approved professionals”).

Rationale for major fee amendments in 2003

In January 2003, the Minister’s Advisory Panel on Contaminated Sites, which reviewed the contaminated sites provisions of the contaminated sites legal regime, recommended a new fee structure. Included in this were:

- 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.

Meanwhile, as part of a government-wide review of fees and licences, and in keeping with the ministry’s own planned review, the ministry compared the contaminated sites fee revenues with the costs of delivering the Contaminated Sites Program. It found that fees were covering less than 40% of the program’s costs. In response, the ministry amended fees in December 2003 to enhance cost recovery. A few additional changes (part of the Stage 4 amendments to the Contaminated Sites Regulation) were made in July 2004 to simplify the fee structure.

The following explains the details of the fee component of the Regulation and how it works. See also Administrative Guidance document 3, “Applying for Contaminated Sites Services.”

Factors determining fee amounts

The fee payable for contaminated sites services provided by the ministry usually depends on the complexity of the site and the number of hours it takes a person to do the work on behalf of the ministry. Tables 1–3 of Schedule 3 of the Regulation describe the fees payable. The chart at the end of this fact sheet lists the basic fee types.

Simple vs. complex contaminated sites

A site is classified as either simple or complex.

- Simple sites are those that contain substances from a single substance class (see Table 4 of Schedule 3 of the Regulation).
- Complex sites are defined based on several factors: the distribution of substances at the site; the number of substance classes present; whether significant offsite migration has occurred; whether groundwater is affected; whether financial security or covenants on title are warranted; and the number of approvals or permits tied to the site.

Application processing and reviews by approved professionals

The ministry increasingly relies on the recommendations of approved professionals. Ministry officials are authorized to sign, without review, determinations, approvals, certificates, and agreements recommended by these professionals. One in 10 of every submission is audited.

Fees for site profiles and information requests

Fees for contaminated sites services outlined in Table 1 of Schedule 3 of the Regulation *do not* depend on site complexity and generally have a fixed-fee-for-transaction format.

Fees for site profile submissions

The local government charge for a site profile submission is a maximum of \$100. Fact Sheet 19, "The Site Profile System," provides further information on site profiles.

Fees for site information requests

Information on specific sites can be obtained by searching the ministry's Site Registry. These searches are most often done by people who have an account with BC OnLine. Fees vary according to the type of search performed, ranging from \$10 to \$100. Fact Sheet 20, "The Site Registry," and Fact Sheet 24, "Why Search the Site Registry?" provide further information.

Sometimes clients ask ministry staff to retrieve information from paper records or other databases. If a client requests site-specific paper documents, the fee levied will be in keeping with policies set by our Corporate Services Division – currently \$30 per hour and 25 cents per page for copies over 20 pages. For retrieving non-site-specific records, the cost is \$500, plus \$100 an hour for ministry work beyond three hours.

The fee for searching special waste, waste discharge permit, and other electronic databases is \$100 per database.

Fees for ministry services

Table 2 of Schedule 3 of the Regulation lists the fees charged (by simple and complex sites) for core services provided directly by ministry staff or someone on its behalf. These fees are fixed and range from \$1,000 to \$18,000.

Fees for submissions involving approved professional recommendations

Table 3 of Schedule 3 lists the fees charged (by simple and complex sites) for application-related work carried out by an approved professional. These fees are also fixed and range from \$500 to \$9,000.

Additional hourly fees

For many services listed in Tables 2 and 3 of Schedule 3, there is, in addition to the fixed fees, an hourly charge of \$150 for work done by, or on behalf of, the ministry (section 15 of the Regulation).

Free first hour of service

For some "additional services and functions" listed in Table 3 of Schedule 3, there is no fixed fee. These services include, for example, inspecting, monitoring, and verifying for remediation; and consulting, negotiating, and advising on items such as site investigations, soil relocation, and risk assessments. The first hour of service provided by the ministry is

free. Additional services extending over one hour are charged at \$150 per hour (section 9 (15) (b) of the Regulation).

Earning credit towards service

For the services listed in Table 2 of Schedule 3, clients earn a credit towards hourly fees incurred (section 9 (9) of the Regulation). For every \$200 of the fixed fee paid for a service, a client will be credited with one hour for that service. Consider the following examples.

Example 1: Review of a detailed site investigation report:

The client has a complex site, so the applicable fee listed is \$6,000 (see item 2 (b) in column III of Table 2). Ministry staff spent 25 hours working on the case file.

The fee for service is the sum of the listed fee plus the hourly fee. Since the listed fee is \$6,000, the client receives a credit of 30 hours ($\$6,000 \div \200). And since the 30-hour time credit exceeds the 25 hours staff spent on the case file, no hourly fees are payable. Only the \$6,000 listed fee must be paid.

Example 2: Review of a remediation plan that does not include a risk assessment:

The client has a simple site, so the applicable fee listed is \$4,000 (see item 2 (c) in column II of Table 2). Ministry staff spent 35 hours working on the case file.

The fee for service is the sum of the listed fee plus the hourly fee. Since the listed fee is \$4,000, the client receives a credit of 20 hours ($\$4,000 \div \200). Because the 20-hour credit is less than the 35 hours staff spent on the case file, the client owes fees for the additional 15 hours. At \$150 per hour, the extra fee is \$2,250. The total fee payable is therefore \$6,250 (the listed fee \$4,000 plus the \$2,250 hourly fee).

Fees for external contract reviewers

In a few circumstances, a client requiring the review of a report or plan may request that it be done externally. In this case, the ministry refers the document to an external contract review team, for review *within a specified time*. The ministry selects the team from its list of qualified consultants.

The consulting fee, plus 50% of the ministry's normal fee for the same service (see Table 2 in Schedule 3), is payable by the client. This option usually allows for a faster review, without delaying the ministry review process for other applications.

For details, see Fact Sheet 22, "External Contract Review Option: Summary of Fees and Time Schedule."

Resubmission charges

If the ministry receives an application or report that it feels is incomplete or contains errors, it may require resubmission for another review. Resubmission charges up to 50% of the fee paid on first submission are payable for reports going through direct ministry review (section 9 (11) of the Regulation).

A similar resubmission surcharge applies to documents going through the external contract review process (sections 9 (12) and (14)).

If there are major errors in a report or plan, and new technical work is required at a site, a new report must be submitted and full fees paid for the service.

Cost recovery for travel

Travel costs incurred by ministry staff while working on specific sites are recovered at cost (section 9 (15) (c) of the Regulation).

When must fees be paid?

The ministry (through a Director of Waste Management) will decide whether fee payments should be made in full upon invoicing, in installments, or before a service being provided (section 9 (18) of the Regulation).

For information requests and case file reviews, fees are usually invoiced in full.

Are there any exceptions to charges or conditions of payment?

Yes. A Director can waive all or part of the fees for requests for information under items 2 or 3 in Table 1 of Schedule 3, where he or she considers the payment of the fee to be an unmanageable financial burden.

Fee reductions are also provided for reviews of screening level risk assessments. Reduced fees will come into effect when such risk assessments are described in a protocol signed by the Director.

Note: This summary is solely for the convenience of the reader. The current legislation and regulations should be consulted for complete information.

For more information, contact the Environmental Management Branch at site@gov.bc.ca

Types of Fees in Schedule 3 of the Contaminated Sites Regulation

Action or activity	Service provided by	Type of fee	Schedule 3 reference in the Regulation
Site profile submission	Local government	Listed	Table 1, section 1, column II
Request for Information - from the computer-based Site Registry	BC OnLine Ministry	Listed Listed and hourly	Table 1, section 2 (a) to (e), column II, Table 1, section 2 (f) and (g), column II
- from other databases	Ministry	Listed	Table 1, section 3, column II,
Application processing and request for reviews	Ministry Roster of approved professionals External contract reviewers	Listed and hourly 1 hour's credit for every \$200 of listed fee; \$150/hour for each additional hour over credited hours Listed and \$150/hour, with first hour free Consultant fee plus 50% of ministry fee for same service	Table 2 Table 3, section 1 Consultant fee: see Fact Sheet 22 Ministry fee: Table 2, sections 2 (a) to (e) and (g), columns II and III
Additional functions: inspection, etc.	Ministry	\$150/hour, with first hour free	Table 3, section 2