

## EPCOR WATER SERVICES INC. - 2023 WATER, WASTEWATER AND DRAINAGE SERVICES OPERATIONAL PLAN

### RECOMMENDATION

That the January 30, 2023, Financial and Corporate Services report FCS01619, be received for information.

<b>Requested Council Action</b>	Information only		
<b>ConnectEdmonton's Guiding Principle</b>	<b>ConnectEdmonton Strategic Goals</b>		
<b>CONNECTED</b> This unifies our work to achieve our strategic goals.	n/a		
<b>City Plan Values</b>	LIVE		
<b>City Plan Big City Move(s)</b>	n/a	<b>Relationship to Council's Strategic Priorities</b>	Conditions for service success
<b>Corporate Business Plan</b>	Managing the corporation		
<b>Council Policy, Program or Project Relationships</b>	<ul style="list-style-type: none"> <li>Bylaw 19626 - EPCOR Water Services Bylaw</li> <li>Bylaw 19627 - EPCOR Drainage Services and Wastewater Treatment Bylaw</li> </ul>		
<b>Related Council Discussions</b>	<ul style="list-style-type: none"> <li>CR_6903, EPCOR Water Services Inc. - Lead Mitigation Strategy Business Case, Utility Committee, March 22, 2019</li> <li>CR_7559, EPCOR Water Services Inc. - Non-Routine Adjustment to Drainage Utility Rates for Corrosion and Odour Reduction Strategy, Utility Committee, November 1, 2019</li> <li>CR_7558, EPCOR Water Services Inc. - Non-Routine Adjustment to Drainage Utility Rates for Stormwater Integrated Resource Plan - Utility Committee, November 1, 2019</li> </ul>		

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## Executive Summary

- This report provides the 2023 Annual Operational Plan for EPCOR Water Services Inc. (EWSI) outlining the major initiatives planned for the Water Services and Drainage Services business units in 2023.
- The major initiatives identified in the 2023 Operational Plan are categorized into six key areas:
  - water/drainage integration; environmental, social and governance; design and development modernization; equity and affordability; water supply flood resiliency; and automatic meter-reading implementation.
- In its 2023 operational plan, EWSI demonstrates how its planned work aligns with and advances the City of Edmonton's City Plan.

## REPORT

EPCOR Water Services Inc. (EWSI) presents an Annual Operational Plan to Utility Committee in the first quarter of each year as part of the ongoing monitoring and reporting of the water, wastewater treatment, and drainage services under performance based regulation. The 2023 Operational Plan is provided in Attachment 1 and includes an overview of the various operational initiatives planned by EWSI for the 2023 calendar year for the Water Services and Drainage Services business units.

EWSI's 2023 Operating Plan highlights the major initiatives that will be advanced in 2023, including:

1. Water/Drainage Integration - a key aspect in the transfer of the City of Edmonton's Drainage operations to EPCOR in 2017, EWSI is planning an overall organizational redesign that allows for implementation of a new vision and strategy for unified water and drainage operations.
2. Environmental, Social and Governance (ESG) - EWSI has developed an ESG "scorecard" with 23 separate measures included in three guiding principles of environmental stewardship, social responsibility and excellence in government practices.
3. Design and Development Modernization - to support the City Plan objective of a Rebuildable City, EWSI has begun work to remove historical infrastructure barriers for infill and greenfield developers. Design standards are being modernized and EWSI's upcoming PBR filing will identify opportunities to invest in priority infill areas to advance responsible development.
4. Equity and Affordability - EWSI established an internal work group in 2022 to gather and assess socioeconomic datasets, understand past and present equity initiatives, and document future opportunities. Future opportunities could include increasing community resilience, infrastructure investment, improvements to customer service, partnerships and affordability, among others.
5. Water Supply Flood Resiliency - EWSI is proceeding with the Water Treatment Plants Flood Mitigation project, approved as part of the 2022-2026 Performance Based Rates

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Application, to protect the water supply for Edmonton and other surrounding communities in the event of a major flood.

6. Automatic Metering Initiative - EWSI has begun the Water Advanced Metering Infrastructure (AMI) project to replace the majority of its current meter reading technology throughout Edmonton. The project will be complete in 2025 and is expected to result in a number of benefits to customers including receiving timely, accurate billing for actual water use each month.

EWSI also provides details of specific initiatives to be advanced in 2023 for both the Water Services and Drainage Services business units within the following six strategic areas of focus: Customers and Stakeholders, Public Health/Environment, Employee and Public Safety, People, Operational Performance, and Growth and Financial Performance.

Initiatives common to both Water Services and Drainage Services, as discussed on pages 10 to 12 of Attachment 1, include:

- Continue to seek alignment with City of Edmonton City Plan goals;
- Develop an Integrated Watershed Management Strategy for Edmonton to improve load quantification and watershed protection for all of EPCOR's Edmonton operations;
- Develop a comprehensive program to facilitate the water/drainage redesign and integration; and
- Continue to develop a "One Water" approach to managing the entire water cycle in Edmonton.

Initiatives specific to Water Services, as discussed on pages 13 and 14 of Attachment 1, include:

- Enhance and implement the Climate Change Adaptation Plan;
- Execute the Lead Management Program in Edmonton (Financial and Corporate Services report CR\_6903, EPCOR - Lead Mitigation Strategy Business Case, March 22, 2019) to reduce the amount of lead in the drinking water to conform to new Health Canada guidelines; and
- Develop and implement a biosolids strategy in Edmonton, including determining an approach to either acquiring or building a dewatering facility.

Initiatives specific to Drainage Services, as discussed on pages 15 and 16 of Attachment 1, include:

- Continuation of the Corrosion and Odor Mitigation Program (CR\_7559 EPCOR Water Services Inc. - Non-Routine Adjustment to Drainage Utility Rates for Corrosion and Odour Reduction Strategy, November 1, 2019), with a focus on pumping optimization and trunkline cleaning; and
- Expansion and optimization of the Stormwater Integrated Resource Plan (CR\_7558 EPCOR Water Services Inc. - Non-Routine Adjustment to Drainage Utility Rates for Stormwater Integrated Resource Plan, November 1, 2019), with a focus on high risk communities in the river valley and broadening beyond the residential sector.

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EWSI states that its 2023 Operating Plan has been developed so that its work aligns with the priorities of the company, the community and the City of Edmonton. Appendix 1 of Attachment 1 describes how EWSI's work in 2023 will align with and advance the City of Edmonton's City Plan, including the Greener As We Grow, Rebuildable City, Inclusive and Compassionate, and Catalyze and Converge indicators.

### **COMMUNITY INSIGHT**

EWSI has engaged the general public during the development of a number of its initiatives, including the review and approval of the most recent EWSI Performance Based Rates applications to set new utility rates for Water, Wastewater Treatment and Drainage Services effective April 1, 2022, and during the development of the Corrosion and Odor Reduction Strategy.

EWSI's public engagement initiatives planned in 2023 include;

- Continuing to work with developers and City of Edmonton Urban Planning and Economy to develop appropriate communication, feedback channels, tools and developer portals to meet the needs of the community; and
- Fostering partnerships with Indigenous neighbors.

### **GBA+**

GBA+ specific to this report was not conducted by City Administration, as the information provided is from EWSI regarding its planned 2023 initiatives for its Water and Drainage Services business units. EWSI's equity considerations are outlined in Attachment 1.

### **ATTACHMENT**

1. EPCOR Water and Drainage Services - 2023 Annual Operational Plan