

## Chapter 37

# Water Security Agency – Regulating Public Wastewater Systems

### 1.0 MAIN POINTS

The Water Security Agency (Agency) is responsible for regulating public wastewater system owners who are ultimately responsible for ensuring wastewater is adequately treated before being released into the environment. Without proper treatment, wastewater being discharged can have negative impacts on both the environment and human health.

By December 2015, the Agency had fully implemented all four recommendations we initially made in 2014 related to the regulation of public wastewater systems. The Agency updated its wastewater system design requirements, addressed non-compliant wastewater systems owners, periodically reviewed mechanical wastewater effluent<sup>1</sup> sampling, and reported publicly on wastewater systems' non-compliance.

### 2.0 INTRODUCTION

In our *2014 Report – Volume 1*, Chapter 15, we concluded that in 2013-14, the Agency had effective processes to regulate public water systems, except for the four areas related to our recommendations.

This chapter describes our follow-up of management's actions on the four recommendations we made in 2014.

To conduct this review engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook – Assurance*. To evaluate the Agency's progress towards meeting our recommendations, we used the relevant criteria from the 2014 audit. The Agency's management agreed with the criteria in the 2014 audit.

To do our follow-up, we discussed with management progress they made in meeting our recommendations, reviewed supporting documentation, and tested a sample of items to verify the progress.

### 3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at December 31, 2015, and the Agency's actions up to that date. We found that the Agency had implemented all four recommendations.

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<sup>1</sup> Effluent is wastewater that has gone through a treatment process.



### 3.1 Wastewater Design Requirements Updated

We recommended that the Water Security Agency update its wastewater system design requirements and regulations so that new wastewater system constructions and expansions are designed to meet future stricter effluent standards. (2014 Report – Volume 1; Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

On June 1, 2015, *The Environmental Management and Protection Act, 2010* and *The Waterworks and Sewage Works Regulations* came into force. These include stricter effluent standards for wastewater system operators that align with federal regulations (e.g., new or expanded lagoon systems must hold at least 220 days of wastewater storage).

The Agency included these stricter standards in its *Sewage Works Design Standard*.<sup>2</sup> The standard outlines design and operating requirements for wastewater systems.

### 3.2 Delayed Wastewater System Expansions Being Addressed

We recommended that the Water Security Agency address non-compliance of wastewater system owners that do not upgrade wastewater systems for subdivision expansions. (2014 Report – Volume 1; Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

The Agency enters into parallel growth agreements<sup>3</sup> with operators in which operators agree to expand wastewater systems by a certain deadline. The Agency had eight operators successfully expand their wastewater facilities in accordance with their parallel growth agreement deadlines since 2014 (i.e., the time of our audit).

In July 2013, the Agency implemented a policy called *The Compliance and Enforcement Protocol for Parallel Growth Policy*. This policy outlines the enforcement steps the Agency is to take when dealing with wastewater system operators with parallel growth agreements who fail to expand wastewater systems by the agreed upon deadline.

At December 31, 2015, the Agency had 15 parallel growth agreements with wastewater operators. At that date, 2 of the 15 operators had not completed their wastewater system expansions by the agreed upon deadlines. Hence, these operators were non-compliant with their agreements.

<sup>2</sup> [www.environment.gov.sk.ca/adx/asp/adxGetMedia.aspx?DocID=38e5b77e-3e0c-4dba-95cb-0a929367a0aa](http://www.environment.gov.sk.ca/adx/asp/adxGetMedia.aspx?DocID=38e5b77e-3e0c-4dba-95cb-0a929367a0aa) (25 November 2015).

<sup>3</sup> Parallel growth agreements are signed between wastewater system owners (e.g., municipalities) and the Agency. They outline a commitment for subdivision expansions to occur along with the upgrades of the associated wastewater system.

According to the Agency, each of these two non-compliant operators had extenuating circumstances (e.g., flooding in one instance) which had inhibited their ability to expand their wastewater systems by the agreed upon deadline. The Agency determined that neither wastewater system posed a significant risk to the environment and therefore, did not address the non-compliance with enforcement steps. Rather, the Agency addressed the non-compliance by giving each operator a revised deadline to submit an updated expansion plan.

### 3.3 Mechanical Wastewater Systems Better Monitored

We recommended that the Water Security Agency require and review evidence that mechanical wastewater system owners are meeting effluent sampling requirements throughout the year. (2014 Report – Volume 1; Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

The permits of all of the 10 mechanical wastewater systems<sup>4</sup> we tested required regular (i.e., at least quarterly) effluent sampling. The Agency received and reviewed effluent reports from owners on a timely basis, and took enforcement actions to ensure compliance, where needed.

### 3.4 Non-Compliance Reporting to the Public Improved

We recommended that the Water Security Agency report to the public on wastewater systems' non-compliance with permits. (2014 Report – Volume 1; Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

Each year, the Agency issues a report called *The State of Drinking Water Quality in Saskatchewan*<sup>5</sup> (Report). In its 2013-14 Report, the Agency began including information on wastewater system operators' non-compliance in these reports. For example, the 2013-14 and 2014-15 Reports included the number of wastewater systems operating without a certified operator and the number of wastewater systems with problems identified during inspections (e.g., disinfection not performed as required by the operating permit).

<sup>4</sup> Laws require mechanical wastewater systems in Saskatchewan to have at least a secondary treatment phase. Secondary treatment allows suspended solids to settle out of the water and uses biological processes to reduce levels of contaminants.

<sup>5</sup> *The State of the Drinking Water Quality* reports can be found at [www.wsask.ca/About-WSA/Publications/](http://www.wsask.ca/About-WSA/Publications/) (15 March 2016).

