



March 7, 2024

The Honourable Tracy Schmidt, MLA
Minister of Environment and Climate Change
Room 344 Legislative Building
450 Broadway
Winnipeg, MB R3C 0V8

Dear Minister,

Thank you for meeting with us in November 2023 to discuss Winnipeg's North End Water Pollution Control Centre (NEWPCC) and review necessary actions to accelerate phosphorus compliance to protect the health of Lake Winnipeg.

At the time of our meeting, the City of Winnipeg was expected to provide an updated plan for NEWPCC upgrades by Dec. 31, 2023, as per a directive from provincial authorities in June 2022. We have now reviewed two versions of the City's submission and the supporting constructability review. None of these documents provide the necessary information to ensure that phosphorus compliance will be achieved by the province's extended deadline of 2030. We remain greatly concerned with the lack of a clear, feasible plan to meet the provincial phosphorus limit at NEWPCC.

One critical reason for this is the discretionary requirement for biological nutrient removal that continues to act as a barrier to achieving phosphorus compliance for the protection of Lake Winnipeg.

The City's submission focuses on the timeline for completion of the proposed biological nutrient removal facilities, evaluating construction schedules that extend from 2030 to 2032. All proposed timelines are dependent on funding availability, which is identified in the constructability review as "one of the most critical schedule risks."

Exacerbating this risk, the cost projection for biological nutrient removal (phase 3) used in this report is out-of-date and inaccurate. The City continues to use a 2018 cost estimate for biological nutrient removal facilities, despite evidence that costs have likely doubled since then. (For example, the 2018 estimate of \$552 million for biosolids facilities construction [phase 2] was revised to \$1.035 billion in 2023). By ignoring inflation and significant market changes since 2018, the report underrepresents the actual expense of

biological nutrient removal, which has always been the most expensive component of NEWPCC upgrades. It is likely that the \$828 million estimate from 2018 has also increased in the intervening years by up to 87%, to over \$1.5 billion.

The City's assumption that funding for biological nutrient removal will be achieved by the end of 2024 is not defensible. No funding is currently confirmed for the biological nutrient removal facilities, beyond an initial \$18 million of City funds for preliminary design. No federal funding program currently exists for infrastructure projects of this scope and scale, and no such program is anticipated prior to the next federal election. The report identifies no provincial funding prospects.

Considering this, we recommend you undertake the following to ensure phosphorus compliance can be achieved at NEWPCC within the scope of currently funded projects:

- 1. Reinforce phosphorus compliance as the primary provincial requirement for the protection of Lake Winnipeg**, as articulated in Section 4.2(2) of Manitoba's [Water Protection Act](#). A specific limit of 1 mg/L of phosphorus is listed in this provincial legislation, while other NEWPCC licence conditions are discretionary and must only be "met to the director's satisfaction." Neither provincial regulators nor City staff should be permitted to use discretionary conditions (e.g. use of biological technology, total nitrogen reduction, biosolids reuse) as barriers to achieving phosphorus compliance. Nothing in the Water Protection Act prevents the achievement of essential and urgent phosphorus compliance through the City's current biosolids facilities upgrades, which are fully funded.
- 2. Amend NEWPCC Environment Act Licence 2684 RRR to require full and sustained phosphorus compliance through chemical phosphorus reduction as part of the new biosolids facilities project.** This licence amendment will ensure that evidence-based protections for Lake Winnipeg are included within the scope of current tri-government funding agreements for NEWPCC upgrades. Providing this explicit direction to the City is urgently required, as the City is in the process of selecting a contractor for the design and construction of new biosolids facilities.

We also bring to your attention another increasingly urgent risk raised in this most recent submission from the City. Space constraints at the NEWPCC site remain unaddressed, with significant implications for planned upgrades. Bounded by roads, rail lines and residential developments, the lack of physical space at NEWPCC hinders construction schedules and will continue to do so throughout ongoing upgrades. Ultimately, these space constraints will limit NEWPCC's size and capacity, with long-term repercussions for cost and performance of the City's entire wastewater treatment system.

Despite these space constraints, [NEWPCC remains the only sludge treatment facility for the entire city, as approved by the province in 2014](#). The City itself recognizes that the concentration of sludge treatment at a single limited facility presents a "critical risk" to the

operation of the system as a whole. We recommend that you instruct the City to increase sludge treatment capacity within the wastewater system as a whole, as a proactive response to NEWPCC site constraints. Additional sludge treatment capacity at other wastewater treatment plants is required to increase the resilience of the system, accommodate city growth projections, and meet the needs of the capital region.

As stakeholders and rightsholders, we continue to closely monitor all developments and to update our members and partners on progress towards phosphorus compliance at NEWPCC. Winnipeggers and Manitobans expect urgency, transparency, and accountability on this very important file.

We request a meeting to discuss these urgent recommendations at your earliest convenience.

Sincerely,



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LWIC



Dimple Roy
Director, Water Management
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Alexis Kanu
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