



February 6, 2020

*SENT VIA ONLINE SURVEY FORM*

Government of Alberta  
Treasury Board and Finance  
[budget.feedback@gov.ab.ca](mailto:budget.feedback@gov.ab.ca)

**RE: 2020 Alberta budget public consultation**

**What spending priorities do you think government should focus on?**

Flood Free Calgary is a group of organizations, businesses and citizens that advocate for timely flood mitigation for Calgary. Mobilizing business and community leaders, the group seeks to keep Calgary's flood risk top of mind for policy-makers and to be vocal advocates in support of critical flood mitigation infrastructure.

With the seven-year anniversary of the Southern Alberta Flood just around the corner, the fact that our city is still without critical flood mitigation infrastructure in place is extremely concerning to many Calgarians.

All levels of government have a responsibility to ensure that the impact of the catastrophic events of 2013 are not forgotten and that effective measures are taken to avoid a repeat occurrence. It is only with commitment to a comprehensive mitigation strategy – involving both the Bow and Elbow Rivers – that the economic engine of Canada, the City of Calgary, will be protected. Therefore, we're calling on the Government of Alberta to provide the necessary funding in the 2020 Alberta Budget to ensure critical flood mitigation projects move forward without delay.

**Request 1: Protect funding for the Springbank Off-Stream Reservoir project**

While the Springbank Off-Stream Reservoir (SR1) project on the Elbow River is the furthest ahead in terms of large-scale upstream flood mitigation to protect Calgary and downstream communities, the project is currently progressing through regulatory reviews and the most recent project timeline (dated May 2018) estimates the earliest possible completion would be in 2023 (albeit there have been delays and this date may change).

The most recent cost estimate for SR1 (dated August 2017) is \$432 million. However, the sale of unused land after the project is complete is estimated to reduce the net cost to \$372 million. It is our understanding that previous provincial governments, since SR1 was first announced in 2014, had allocated funds within the capital budget for the project. Reassuringly, the current government appears to have followed suit, with its total capital plan funding for province-wide flood projects stated to be \$386 million for the next four years; essentially the balance for SR1 less the almost \$50 million spent to date on the project.

We request that the SR1 funding in the capital budget remain protected to enable the

project to proceed unimpeded by budget limitations.

**Request 2: Approve funding for the Bow Basin Water Management Options project feasibility study**

Completion of large-scale upstream mitigation project on the Bow River is significantly behind the Elbow River project, yet encouraging progress was made in 2019.

With respect to the Bow River Water Management Options (BBWMO) project, Alberta Environment and Parks is nearing completion of phase 1 of the project: the conceptual assessment of 10 upstream reservoir options for the Bow River. Once complete, three shortlisted options identified in phase 1 will be carried forward to phase 2 of the project: the feasibility study. The objective for the feasibility study is to complete a thorough study of all three shortlisted projects and come to a selection of a single preferred option

A government decision is required to proceed to the feasibility study and currently there is no funding in place to progress to this important next step. The study is estimated to cost \$15M and, considering season-dependent engineering work will be required, the fastest it could be done is two years.

The estimated timeline for the BBWMO is 12 years, putting completion in 2030. Any delay to the project this early on, especially due to lack of funding, would be unacceptable.

We request that funding for the feasibility study be approved asap so work on the BBWMO project can continue (without delay between phase 1 and phase 2). Additionally, we request that funding be allocated over the two year period required to complete the work (rather than stretched over three years).

**Request 3: Renew the agreement with TransAlta for modified operation of Ghost Reservoir**

As part of an agreement with TransAlta, since 2016 the Government of Alberta has been able manage water on the Bow River for the purposes of flood mitigation via modified operations at TransAlta's Ghost Reservoir facility. However, the five-year agreement expires in early-2021.

Without large-scale upstream mitigation in place on the Bow River (remember, that's 12 years away), the TransAlta agreement must be renewed and kept in place as a critical component of Calgary's comprehensive flood mitigation strategy.

We request that Government of Alberta commence negotiations to renew the agreement with TransAlta for modified operation of Ghost Reservoir, and that the necessary budget arrangements be made in consideration of the agreement terms.

**Request 4: Restore Alberta Community Resilience Program funding for Calgary**

Beyond large-scale upstream flood mitigation projects, the City of Calgary had planned for a number of local flood mitigation projects, many of which were to be funded by Alberta Community Resilience Program (ACRP) grant dollars.

However, ACRP funding for Calgary was significantly cut in the 2019 provincial budget (from \$150 million to \$69 million) and many local projects will be impacted; including many on the Bow River.

Each year Calgary remains at risk of another disastrous flood, and with upstream projects years (perhaps decades) away, local flood mitigation may be our only line of defense for the interim.

We request that funding for the ACRP be restored to \$150 million to enable the City of Calgary to proceed with planned flood mitigation projects as appropriate for individual communities.\

### **Where do you think government could find savings?**

It cannot be stated strongly enough that we must protect our downtown from ever flooding again. Calgary is the economic engine of the province, and it is through its citizens and the companies headquartered here, that we are able to be a significant contributor to the Canadian economy. All of that is at risk if we lose our downtown core. By its high-profile support for Alberta's oil and gas sector, the present government clearly understands this.

During the flood, downtown Calgary was forced to shut down for nearly one week. By the time flood water receded and the downtown was safe to reenter, the economic toll had only just begun. In the final two weeks of June 2013, the extensive flooding experienced throughout Southern Alberta resulted in approximately 5.1 million hours of work lost and \$485 million of lost economic output by the private sector. Overall, the reduction to Canadian GDP has totalled approximately \$2 billion and recovery has cost upwards of \$6 billion.

Flood damages in Calgary cost Property & Casualty insurers \$1.9 billion in claims, and the insurance industry has expressed that, in the current environment, it cannot be there to save high-risk properties, but that there "has to be a concerted effort by various stakeholders, including government" to protect our cities.

We came close to losing the entire downtown in 2013. If the rain had continued to fall for even a few more hours, the Elbow River flood water could have been two metres higher and caused additional damage to the city centre. It would have been months, or years, before business could proceed. In that scenario, Calgary would lose – forever. It would be no longer a place to invest, a city ripe for head offices, or a city to live in.

The economic risks are just too high, and it is for these reasons that we insist budget considerations be put in place to enable the necessary flood protections for Calgary.

### **How should government support job creation and economic growth?**

Flood Free Calgary does not provide any comment.