Brad Fairley,
Stantec Consulting Ltd.

Monetizing Fish Habitat Credits
Agenda

1. Fish Habitat Bank
2. Monetizing Fish Habitat Credits
3. Summary
4. Questions
Fish Habitat Bank – What Is It?

- Offsetting carried out in anticipation of future impacts
- Generally done by restoring a damaged stream
- Requires 3 years of Post-Construction Monitoring
- Credits measured in m²
- Credits can be used to obtain authorization under the Fisheries Act
Process

- Set up a banking arrangement between the proponent and DFO:
  - Legal Agreement
  - Service Area
  - Credit Release Schedule
- Annex (each project):
  - Set Objectives
  - Monitoring Protocols
  - Credit Potential
- Design, permit and construct the project
- Post-construction monitoring
- Annual report with credit ledger
Fish Habitat Bank

- DFO supports them
- Have been included in new Fisheries Act
- Offsetting occurs before impacts
- Ideal for small projects with a small impact
- No need for LOC
City of Kitchener

- Filsinger (concrete channel)
- Balzer (degraded channel)
- Idlewood (dam removal)
- Potential for 18,633 m² of fish habitat credits
City of London

- Mathers Stream
- Daylighting
- Potential Credits: 1,870
Why Monetize?

- To date, credits can only be used by proponent
- Proponent is generally stormwater utility
- Stormwater Utility can sell the credits to other departments
- What is a credit worth?
- Decide whether to add a project to the habitat bank
- It costs about $50K to add a project to the bank
How To Monetize

• Credits are worth what it costs to create the credits
• What goes into a project:
  - Find the site (3%)
  - Obtain access to the site (e.g., easement, purchase - 20%)
  - Design (10%)
  - Permitting (2%)
  - Construction (50%)
  - Monitoring/Maintenance (10%)
  - Maintain the Site in perpetuity (5%)
Example 1

• Filsinger Costs:
  • Find the site ($0)
  • Obtain access to the site ($0)
  • Design ($300K)
  • Permitting ($50K)
  • Construction ($2M)
  • Monitoring/Maintenance ($50K)
  • Maintain the Site in perpetuity ($0)
  • Total $2.4M

• Credits: 12,600 m²

• Cost Per Credit: $190
Filsinger Qualifiers

- No cost for site, access, perpetual care
- 0 m² fish habitat existed prior to the project
- Large project = economy of scale
- Filsinger costs were significantly below average
Example 2

- Mathers Stream Costs:
  - Find the site ($0)
  - Obtain access to the site ($0)
  - Design ($70K)
  - Permitting ($20K)
  - Construction ($968K)
  - Monitoring/Maintenance ($90K)
  - Maintain the Site in perpetuity ($0)
  - Total $1.148M

- Credits: 1,870 m²

- Cost Per Credit: $614
Mathers Qualifiers

- No cost for site, access, perpetual care
- Small project = less economy of scale
- Mathers costs were below average because there was 0 m² fish habitat existed prior to the project
Summary

- Credits are worth what it costs to create
- Average Cost = $1000/m²
- Fish habitat banks are here
- DFO strongly supports them
- Potential to revolutionize offsetting
- Third party banking will create a new industry
Questions?

Brad Fairley, MES
Stream Restoration Service Leader
Stantec Consulting Ltd.
100-300 Hagey Boulevard
Waterloo, ON N2L 0A4
Tel.: (226) 808-7132
brad.fairley@stantec.com