

**Corporate
Services**

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April 28, 2026

Local Government Policy Branch
777 Bay St., 13th Flr.
Toronto, ON M7A 2J3

Email: Localgov@ontario.ca

RE: ERO 026-0301 – Proposed Amendments to the Water and Wastewater Public Corporations Act, 2025 and Safe Drinking Water Act, 2002

Dear Sir/Madam,

Thank you for the opportunity to provide comments on the proposed amendments to the *Water and Wastewater Public Corporations Act, 2025* and the *Safe Drinking Water Act, 2002*, as outlined under ERO 026-0301.

Peel Region remains supportive of the Province's broader objective to accelerate housing supply and enable the timely delivery of infrastructure and recognizes that the proposed framework is intended to support these shared objectives. We appreciate the Province's responsiveness to feedback provided through the previous consultation ERO 025-1098 under Bill 60, as amendments proposed under Bill 98 reflect several substantive improvements that directly address concerns raised in our previous submission.

In particular, Peel Region welcomes the requirement for 100 percent public sector ownership of water and wastewater public corporations set out in the proposed legislation, which provides assurance that these critical services will remain publicly controlled. We also acknowledge and appreciate the strengthened provisions ensuring continuity of contracts and protections for employees, which will support service stability and workforce transition.

Further, the restriction on transferring municipal debt to a water and wastewater public corporation is a significant and necessary improvement that responds directly to concerns raised regarding financial market stability and investor confidence.

The proposed changes to the *Safe Drinking Water Act, 2002* in *Bill 98*, which broaden the definition of a municipal drinking water system to a public utility owned by a water and wastewater public corporation is also a welcomed change. This change reinforces the application of existing health and safety regulatory standards and accountability frameworks to any new public utility, ensuring that drinking water is protected and safe for residents. Collectively, these changes represent a meaningful advancement in clarifying the Province's intended model and reducing key areas of risk.

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Financial and Implementation Considerations

While the proposed amendments represent a positive step forward, several areas would benefit from additional clarity as the Province advances implementation. The restriction on transferring debt addresses a critical concern. However, municipalities will continue to carry long-term debt obligations without the associated revenue-generating assets following transfer. Further detail is required regarding how municipalities will be supported in servicing this debt, including any future legislative or regulatory framework that may require payments from water and wastewater public corporations to municipalities. Without this clarity, there remains uncertainty regarding long-term financial sustainability and the potential impact on the municipal tax payers.

Governance and Accountability

To help address governance and accountability uncertainties, it would be beneficial for future regulations to specify the mechanisms by which municipalities can participate in governance and oversight, including detailed processes for reporting, auditing, and stakeholder engagement. Establishing clear timelines for the release of these foundational elements will also enable municipalities and other stakeholders to prepare adequately and adapt their strategies as needed. This approach will foster greater confidence in the model and help mitigate risks associated with ambiguity and deferred regulatory decisions.

Conclusion

Peel Region appreciates the substantial improvements reflected in the proposed amendments to the *Water and Wastewater Public Corporations Act, 2025*. We remain committed to working collaboratively with the Province to support the delivery of housing and infrastructure in a manner that is financially sustainable, transparent, and in the public interest. Ensuring clarity on outstanding matters through forthcoming regulations will be critical to the successful implementation of this model.

If additional information or clarification is required, please do not hesitate to contact me directly at Davinder.Valeri@peelregion.ca

Kind Regards,



Davinder Valeri
CFO and Commissioner of Corporate Services