



**THE FINANCIAL CASE FOR A STREAM SYSTEM:  
A BUSY READER'S GUIDE TO UNDERSTANDING  
"EAP, THE ECOLOGICAL ACCOUNTING PROCESS"**

<p><b>What is the provincial context for EAP Demonstration Application Program?</b></p>	<p>The context is <b>Asset Management for Sustainable Service Delivery</b>, and a stream system is a <b>Natural Commons Asset (NCA)</b>.</p> <p>EAP is a 3-stage program to <i>Test, Refine, Mainstream</i> the methodology and metrics for "maintenance and management", or <b>M&amp;M</b>, of stream systems.</p> <p>The Partnership for Water Sustainability in BC is collaborating with multiple local governments in five regions within the Georgia Basin to determine <b>how to operationalize EAP within an Asset Management Plan</b>.</p> <p>The EAP program is co-funded by the Partnership, the Real Estate Foundation of BC, FCM, local governments, UBCM, and the Ministry of Municipal Affairs.</p>
<p><b>What is the driver behind EAP?</b></p>	<p>The driver for EAP is degradation of stream channels and streamside protection areas. EAP addresses the elephant in the room which is the unfunded cost (hence liability) to protect, remediate or enhance stream systems in urban and rural landscapes.</p>
<p><b>Why is EAP needed?</b></p>	<p>EAP bridges a gap. It provides local government with a methodology and metrics for integrating natural assets, notably stream corridor systems, into municipal infrastructure.</p>
<p><b>What are EAP core concepts?</b></p>	<p>A stream is a land use (defined in regulation; can assign a financial value). BC Assessment provides "real numbers" for a proxy financial value.</p> <p>The key metric is "\$ per metre of channel length" as a measure of NCA value. Community investment in M&amp;M is a measure of "what the stream is worth".</p>
<p><b>What would operationalizing of EAP achieve?</b></p>	<p><b>PURPOSE:</b> Put maintenance and management (M&amp;M) of stream corridor systems on an equal footing with constructed assets (municipal infrastructure).</p> <p><b>END GOAL:</b> Establish an annual budget for stream corridor system M&amp;M as a line item within an Asset Management Plan.</p>
<p><b>How is EAP a game-changer?</b></p>	<ol style="list-style-type: none"> <li>1. EAP interweaves financial, social, and ecological perspectives within a single number to establish the financial case for a stream corridor system. This aggregate number is the <b>Natural Commons Asset (NCA)</b> value.</li> <li>2. The NCA value is a measure of the <b>Riparian Deficit</b>. This is the environmental equivalent of the <b>Infrastructure Liability (Deficit)</b> for constructed assets such as underground utilities and buildings.</li> <li>3. The NCA value provides environmental planners with a starting point for a <i>balanced conversation</i> with engineers and accountants about the <b>services</b> that natural and constructed assets both provide.</li> </ol>
<p><b>Why is EAP important?</b></p>	<p>EAP adds to the conceptual framework for a riparian area maintenance and management strategy with new insights about financial metrics.</p>