

2026 Water Utility Rate Review General Questions and Answers

QUESTIONS AND ANSWERS – APRIL 2026

Q 1) There is a significant increase in the bulk water rate. It changed from \$3.07 to 7.92 per cubic meter. Why such a large increase in the bulk water rate?

A) The last rate increase was on April 1, 2019. Due to ongoing inflationary pressures, the operating costs of the water utility have increased by approximately \$1.5 million in that time period. This and the fact that the previous bulk water rates did not include all costs, are the primary reasons bulk water rates have increased significantly.

Q 2) Why do metered water customers only pay \$3.37 per cubic meter while bulk water customers pay \$7.92 per cubic meter?

A) There are two reasons for this. Metered customers also pay a fixed quarterly meter charge in addition to the fee they pay for usage. As well, metered customers are paying a significant cost that is included as part of their property tax bill. This makes up part of the Urban Service Rate Tax. In total, these costs will be approximately \$697,000 in 26/27, and these costs will increase significantly in the next two fiscal years.

Q 3) Are the bulk water rates comparable to what other municipalities charge?

A) Each municipal water utility is in a unique situation and has a unique cost structure. The bulk water rates charged by the East Hants Water Utility effective April 1, 2026 are often similar to or less than what is being charged by other municipalities. There are other municipalities that charge less. Often these other municipalities have not updated their fees in a long time, and are in the process or will be in the process of updating these soon.

Q 3) Why do all the fees change in each of the three years included in the rate study?

A) The water utility has an objective of operating on a break-even basis, ie; not for profit. The projected costs and non-metered revenues vary in each of the three years covered by the rate review. To prepare a balanced budget (break-even) for each of these years, the fees are varied from one year to another.