

August 26, 2025

## Utilities Budget 2026

Next week, City Council will consider the proposed 2026 Utilities Budget, which sets operating and capital plans for The City's self-funded utilities: Electric, Water, Wastewater, and Waste Management.

### 1. What is the 2026 Utilities Budget?

The 2026 Utilities Budget outlines the operating and capital budgets for The City's self-funded utilities:

- Electric Utility
- Water Utility (refers to the standalone operations for Water Treatment and Distribution as well as Wastewater Treatment and Collection)
- Waste Management Utility

It also includes the 10-Year Capital Plan (2027–2036) and a three-year Operating Plan (2027–2029).

### 2. Why are utility rates changing in 2026?

Utility rates are proposed to increase in 2026 to keep pace with:

- Rising operating costs (e.g., inflation, labour settlements, regulatory requirements).
- The need to replace and modernize aging infrastructure.
- Ensuring long-term sustainability of City-owned utilities.

The goal is to maintain safe, reliable, affordable, and environmentally responsible services, while protecting future affordability.

### 3. What are the proposed 2026 utility rate changes for residents?

- **Electric Utility:** +6.0% (about \$3.85 per month for the average household using 600 kWh).
- **Water Utility:** Water Treatment and Distribution: +5.0% (about \$2.48 per month for the average household using 17m<sup>3</sup>).
- **Wastewater Treatment and Collection:** No change. As a next step in the Utilities Governance and Modernization project, administration is recommending that wastewater rates be held at 2025 levels while a third-party review of financial and rate models is conducted.
- **Waste Management:**
  - Landfill: +5.5%
  - Collection: +5.0% (applies to Black Cart and Green Cart services. Blue Carts are no longer charged to residents as they are funded under Extended Producer Responsibility (EPR) legislation introduced in 2025).

### 4. How will this affect my bill?

For the average household in 2026:

- Electric Utility: about \$3.85 more per month
- Water Utility: about \$2.48 more per month
- Waste Management: increases of about five per cent for landfill and collection

**5. Why is there a third-party review?**

Utility rate adjustments are common in the industry, and they highlight the importance of continuous improvement in how we manage and report on public funds. Our Financial Roadmap is guiding us to strengthen oversight, improve processes, and ensure greater accuracy and transparency moving forward.

To strengthen transparency, accountability, and fairness. The review will:

- Validate wastewater financial and rate models (starting Q4 2025).
- Validate water financial and rate models after wastewater.
- Confirm rates are transparent, equitable, and sustainable.

The results will be shared publicly once complete.

**6. How does this budget support regional service providers?**

- The City provides water and wastewater services to several regional commissions and municipalities in Central Alberta.
- Over the past 18 months, administration has worked closely with regional providers to answer questions and share information through meetings, reports, and data sharing.
- A third-party review will further support transparency and trust with regional service providers.

**7. What are The City's priorities for water and wastewater services?**

Per Council Policy GP-2.9, services are guided by the principles of being:

- Safe
- Reliable
- Financially Responsible
- Affordable
- Environmentally Sustainable
- Well Stewarded
- Adaptable

**8. What happens next?**

- September 2/3, 2025 – Council considers the 2026 Utilities Budget.
- September 4, 2025 – Committee of the Whole receives an update on regional service provider (closed).
- September 15, 2025 – If utilities budget is approved on September 2, the individual utility rates will come back to Council in bylaw form for final approval.

**For more information, contact:**

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