

## **2022 Rate-Supported Budget Highlights**

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### **Waterworks**

Water rate increases are in accordance with the long-term Water Authority Financial Plan approved in July 2018. The Financial Plan has been prepared in accordance with provincial legislation and maintains the City's water rates at affordable levels overall and provides a sustainable water system that will provide safe drinking water today and into the future.

For 2022, the water rate increase is 3.0% over 2021 rates.

For the average household using 200 cubic meters of water in a year, the water rate increase represents an annual increase of \$20.12, with the daily cost for water services averaging \$1.89 a day.

The expected impact of COVID-19 on Waterworks is expected to be minimal and as a result the 2022 water rate increase has not been impacted by COVID-19.

### **Wastewater (Sewer)**

Wastewater surcharges will remain at 90% of the total water fixed and volumetric charge consistent with the Wastewater System 20 Year Financial Plan that was approved in 2015.

For 2022, the wastewater surcharge increase is 3.0% over 2021 rates.

For the average household with sewer service, the surcharge increase represents an annual increase of \$18.12, with the daily cost averaging \$1.71 per day.

The expected impact of COVID-19 on Wastewater is expected to be minimal and as a result the 2022 wastewater surcharge increase has not been impacted by COVID-19.

### **Affordability**

Thunder Bay water and wastewater rates remain affordable. For the average Thunder Bay household, the proposed total costs for sewer and water average \$1,315 for 2022, or 1.9% of median household income, based on 2019 Canada Mortgage and Housing data. The industry standard is that rates are affordable for a combined water/sewer bill of 4% of median household income.

### Water & Wastewater Rates 2022 vs. 2021

Average Residential Household - consumption@ 200 m3 per year

		<b>2021</b>	<b>2022</b>	<b>Increase</b>	<b>Cost per</b>
				<b>Year</b>	<b>Day</b>
Water	Fixed Rate (\$/yr)	305.51	314.63	9.12	0.86
	Volumetric (\$/200m3)	366.40	377.40	11.00	1.03
	<b>Total Water (200m3)</b>	<b>671.91</b>	<b>692.03</b>	<b>20.12</b>	<b>1.89</b>
Wastewater	90% Sewer Surcharge	604.71	622.83	18.12	1.71
	<b>Total Water &amp; Wastewater</b>	<b>1,276.62</b>	<b>1,314.86</b>	<b>38.24</b>	<b>3.60</b>

### Solid Waste (Landfill)

The minimum charge for a trip to the Landfill remains at \$10 and is applicable on loads up to 120kg. Tonnage charge for loads over 120kg will increase 3.0% to \$84.09/tonne. A 200 kilogram load of waste will cost \$0.49 more than in 2021.

The financial impact of COVID-19 on the landfill is expected to be \$509,400 mainly related to lower estimated commercial waste revenues. This impact is proposed to be funded by the Stabilization Reserve Fund.