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**Item No. 13.3.1**  
**Halifax Regional Council**  
**March 18, 2025**

**TO:** Mayor Fillmore and Members of Halifax Regional Council

**SUBMITTED BY:** Kenda MacKenzie, P. Eng, General Manager and CEO, Halifax Water

**DATE:** March 10, 2025

**SUBJECT:** Halifax Water Five-year Business Strategy and 2025/26 Annual Business Plan

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**ORIGIN**

Halifax Water Board Meeting of February 27, 2025.

**LEGISLATIVE AUTHORITY**

Annual operational requirement in accordance with Halifax Regional Water Commission Act, clause 20A(2)(b), and Halifax Regional Municipality Administrative Order 2018-001-ADM.

**RECOMMENDATION**

It is recommended that the Regional Council endorse Halifax Water's Five-year Business Strategy (see Appendix A) and 2025/26 Annual Business Plan (see Appendix B).

**BACKGROUND**

Halifax Water develops long-term and short-term business plans for the Halifax Water Board of Commissioners approval. In early 2024, Halifax Water's leadership team began developing a five-year Business Strategy. This proposed document establishes the objectives and strategic initiatives that the organization will achieve by 2030.

Based on the objectives and initiatives proposed in the five-year strategy, the team has developed the 2025/26 Annual Business Plan. The annual plan outlines a number of goals that have been established that are designed to advance each of the Five-year strategic initiatives and anticipates an updated Integrated Resource Plan (IRP) that is expected in 2027/28.

The Halifax Water Board approved the 5-year Business Strategy 2025-2030 and the 2025/26 Annual Business Plans on February 27, 2025. Clause 20A(2)(b) of the Halifax Regional Water Commission Act and Halifax Regional Municipality Administrative Order 2018-001-ADM requires that Halifax Water submits its Five-year Business Strategy and Annual Business Plan to Regional Council.

Halifax Water continues engaging with the Municipality and will participate in the working groups as HALIFAX develops its Five-year Strategic Plan.

## DISCUSSION

Halifax Water's Five-year Business Strategy, titled Halifax Water 2030, spans from 2025 to 2030 and is a crucial step in its commitment to providing sustainable, high-quality water, wastewater, and stormwater services to the Halifax Regional Municipality. This plan emphasizes leadership, accountability, and operational resiliency to empower employees and foster their development as future leaders. The strategic plan is closely aligned with the annual business plan to ensure the organization's overall success is based on strong leadership and accountability.

The 2025/26 Annual Business Plan marks the next stage of Halifax Water's journey through the Five-year Business Strategy. This interconnected planning process will strengthen various business areas and enhance the organization's ability to respond to future challenges. The Annual Business Plan focuses on improving operational performance by prioritizing leadership, accountability, and operational resiliency.

The IRP, scheduled for completion in fiscal 2027/28, will be instrumental in Halifax Water's long-term business planning process. The IRP will help track key performance measures and ensure that Halifax Water meets its goals effectively and transparently. This interconnected planning process includes major initiatives such as the Burnside Operations Centre, Water Supply Enhancement Program, Water Safety Plan, and Biosolids Facility Upgrade Project.

By aligning the long-term business strategy with the annual business plan, Halifax Water aims to create a more engaged, resilient, and innovative organization. This approach will help Halifax Water maintain trust and deliver the highest level of service to the community.

Halifax Water is an integrated water, wastewater, and stormwater utility in its 80th year of operation, serving over 111,000 customers.

Halifax Water's business plan for 2025/26 is developed with the recognition that challenges from the preceding fiscal year will continue to impact Halifax Water's customers, employees, and business partners, and Halifax Water must continue to focus on continuous improvement of our service delivery and service offerings.

Rates for all services were last increased on April 1, 2023, based on the NSUARB order of November 2022. Currently, Halifax Water is operating with a \$9.7M deficit (January 31, 2025). To address this, Halifax Water is currently preparing to file a general rate application (GRA) in the spring of 2025.

Halifax Water also initiated or completed several significant water asset renewal projects. This included Phase 2 of Cathedral Lane sewer separation, Phase 2 of Sawmill Creek and received approval for our Burnside Operation Center. Halifax Water continues to succeed through cooperation and collaboration across multiple business units and workgroups internally and with HRM, the coordination of the upgrades to the Windsor Street Exchange is an example of these efforts.

The Halifax Water Five-year Business Strategy and associated 2025-2026 Annual Business Plan reflects a focus on corporate goals and a collaborative approach to move the utility forward by focusing on the following:

### People

#### Objective

To create a thriving and inclusive workplace culture by fostering strong leadership and collaborative talent management and enhancing every step of our employees' career journey together over the next five years.

#### Strategic Initiatives

- Build a psychologically safe and engaged workplace culture that attracts, develops, and retains talent.
- Implement an effective leadership framework that defines and guides all employees at Halifax Water.
- Execute the talent management strategy through collaborative partnerships with organizational leaders.
- Enhance the employee experience by improving engagement throughout an employee's career.

### **Environment, Health, Safety, and Social Responsibility**

#### **Objective**

To establish disciplined processes and effectively manage risks to create a safer, more resilient future for our water resources and communities.

#### Strategic Initiatives

- Strengthen our safety policies and procedures to ensure a safe working environment for all employees.
- Implement an emergency management program that ensures business continuity to safeguard water supply, public health and the environment.
- Launch sustainability programs that recognize climate impacts and address the long-term viability of water resources, infrastructure, and environmental impacts.
- Increase customer compliance through education and enforcement of the appropriate use of water, wastewater and stormwater systems.

### **Financial and Regulatory Accountability**

#### **Objective**

To enhance our internal processes for regulatory oversight, financial management and corporate governance.

#### Strategic Initiatives

- Deliver the next Integrated Resource Plan (IRP) that will inform the organization's next five-year strategy, future annual plans, and the long-term financial framework for operating and capital requirements.
- Implement an enhanced project management framework to effectively plan and deliver projects.
- Adopt more effective internal processes and tools to support regulatory oversight.
- Adapt organizational processes to enhance financial management, accountability and corporate governance.

### **Operational Effectiveness**

#### **Objective**

Improve customer experience and build trust and confidence by focusing on service reliability.

#### Strategic Initiatives

- Make prudent investments to improve system resiliency and reliability.
- Create a disciplined culture of accountability, continuous improvement, and risk mitigation.
- Improve and support our relationships with customers.

- Enhance our organizational decision-making processes to deliver more financially prudent and effective services.

Throughout 2025/26, Halifax Water will continue to focus on increasing our capacity to deliver services.

This annual business plan recognizes the need for further capital investment as contemplated in the updated IRP. Halifax Water's proposed 2025/26 capital budget (see Appendix B) is \$133.0 M, with 87% of the projects arising due to the need to renew existing assets. This year, the capital budget has been decreased compared to last year, but we continue to focus on our capacity to deliver the IRP. Several significant projects in the planning stages have come to fruition. The capital budget for the next five years reflects total spending of \$1,535.6 M, with \$738.7 M for water, \$693.5 M for wastewater, \$94.7 M for stormwater, and \$8.7M for District Energy.

This past year, Halifax Water experienced two boil water advisories in the Pockwock system and a water conservation advisory in the Lake Major system. Halifax Water is enhancing its system resiliency and reliability, taking measures to rebuild customer trust.

Halifax Water continues to advance its Water Supply Enhancement Program. This is a 10-year program to renew the utility's two major water supply plants.

In 2025/26, Halifax Water will continue its program to replace aging infrastructure and equipment and oversizing regional infrastructure where required to support growth funded by the Regional Development Charge.

Halifax Water continues to work with the Cogswell District Redevelopment Team to renew and relocate water, wastewater, and stormwater infrastructure. Implementing the Cogswell District Energy System will significantly reduce Greenhouse Gas (GHG) emissions for the new development. In addition, Halifax Water has initiated the procurement process to upgrade its Biosolid Process Facility.

Halifax Water is taking positive actions toward climate adaptation and mitigation, and the current IRP considers climate vulnerabilities to reduce infrastructure and service delivery risk.

We will add new positions across the utility to support capital project delivery. In addition to increasing our staffing complement and advancing attraction and retention initiatives, we will continue to focus on Halifax Water employees' physical and psychological health and our diversity, equity and inclusion policy.

Halifax Water has received approval to begin construction of the new Burnside Operations Centre to enhance our operational efficiency. This new Centre will combine four depots into one, creating more opportunities to streamline operations through our One Team, One Water initiative and will position us well for future growth areas, such as the Dartmouth to Bedford corridor along Magazine Hill and the Dartmouth to Fall River corridor.

Technology continues to transform our business and change how employees and customers interact. We continued to enhance and increase utilization of the Customer Connect portal.

The 2025/26 fiscal year will see the continued advancement of existing programs and services, such as the lead service line (LSL) replacement program designed to remove all LSLs by 2038. Also, staff will undertake an industry scan on programs to enhance engagement with impacted parties to review a proposed program to promote compliance of existing service connections with Halifax Water Regulations. This program will provide additional insights and will encourage disclosure and resolution of issues regarding connections to the system when customer ownership changes.

Halifax Water is committed to continually innovating, improving, and remaining cost-effective, with the need to keep rates affordable. The 2025/26 Business Plan provides an overview of the services provided by Halifax Water, strategic objectives for next year, and the operating and capital budgets to maintain the

delivery of these services. The Nova Scotia Utility and Review Board (NSUARB) approved water, wastewater, and stormwater rates effective April 1, 2023. Base charges for water and wastewater were kept the same and have been effective since April 1, 2016. Based on the approved rates, the Business Plan projects an operating deficit of \$34.1 M. This represents an increase in the budgeted operating deficit of \$15.4M from last year. The budgeted deficit for water operations is \$21.2 M, wastewater operations is \$8.9 M and stormwater operations is \$4.0 M.

The main cost drivers of Halifax Water's operating budget are salaries and wages, energy, chemicals, depreciation, and debt servicing. Operating and non-operating expenditures are proposed to increase by \$17.9 M or 9.3% compared to the budget for last year.

Full details of the operating budget are provided in Appendix B.

#### **ALIGNMENT WITH HALIFAX REGIONAL MUNICIPALITY STRATEGIC PRIORITIES FOR 2021-2025:**

Halifax Water's new Five-Year Strategic Business Plan and ongoing activities were developed to align with priorities established by the municipality. The following section highlights the activities where the integrated water utility aligns with the municipality's corporate priorities (for 2021-2025) and supports the betterment of the communities and residents we collectively serve.

### **PROSPEROUS ECONOMY**

A prosperous, welcoming and growing economy positions the municipality as a business and tourism destination of choice, with economic opportunities for all.

#### **ECONOMIC GROWTH**

*Economic opportunities are seized to promote and maximize balanced growth, reduce barriers for businesses, support local economies and showcase the region's strengths to the world.*

Halifax Water employs more than 600 employees and is a significant purchaser of goods and services, doing business with over 1,000 vendors. Our projects help create and support thousands of local jobs. The current five-year capital budget reflects \$1,535.6M in capital spending. The capital budget for 2025/26 is \$133.0 M, and the total operating cost to provide water, wastewater, and stormwater services will be \$169.0 M.

#### **HOLISTIC PLANNING**

*Informed decisions are made about housing, municipal services, and employment and quickly directs growth to the right places in a way that furthers community goals.*

**Facilitation of Growth:** Halifax Water is in the process of updating the 2019 Integrated Resource Plan (IRP), the infrastructure driven by growth is currently captured in the IMP. The 2027/28 update to the IRP will be developed as one comprehensive document, which will incorporate a more up-to-date estimate of infrastructure needs for asset renewal, compliance and growth for the next 30 years. Additionally, and to plan for a projected overall population of two million people, Halifax Water will undertake a Growth Servicing Strategy to assess and state assumptions around future water demands and wastewater flows. This document will identify prospective water sources and supply plant locations and wastewater treatment facility locations.

Staff coordinate with HRM's Regional Planning team to update infrastructure needs for the opportunity sites, special planning areas, Future Serviced Communities, and overall Regional Plan.

To facilitate the delivery of the infrastructure to support growth, the Regional Development Charge (RDC) was established in 2014. The RDC is updated on a five-year cycle, with the next submission to the NSUARB 2025.

Aligning with HRM on its growth projections and planning helps inform Halifax Water's update to the IRP. The utility then uses the IMP to calculate the capital cost requirements, which are used to establish the Regional Development Charge (RDC) and Capital Cost Contribution (CCC) charges within identified master plan communities. These instruments are foundational to facilitate growth fairly and equitably and support HRM's Regional Plan.

**Service Extensions:** Halifax Water also provides technical support to address water, wastewater and stormwater service deficiencies identified through HRM's Local Improvement Charge Bylaw programming.

Halifax Water also considers requests for service extensions to private communities in accordance with the NSUARB-approved Procedure for Acceptance of Private Community Water, Wastewater and Stormwater Systems.

### TALENT ATTRACTION, RETENTION & DEVELOPMENT

*A global and welcoming community that attracts, retains, and develops talent.*

Halifax Water believes in and fully supports experiential learning for students studying at Nova Scotia Community College (NSCC) and Dalhousie University. The utility facilitates professional work terms for students and offers various scholarships to assist students with their learning journey. In addition to attracting a solid student contingent from NSCC to work at Halifax Water, the utility has an Alliance Grant through the Natural Sciences and Engineering Research Council of Canada (NSERC) and Dalhousie University. Many students participating in the research program have secured employment with local consultants, regulatory agencies, and Halifax Water.

Internally, Halifax Water continues to advance its diversity, equity and inclusion policy.

## COMMUNITIES

The municipality boasts strong social equity through meaningful engagement to build safer and more inclusive communities for all.

### SAFE COMMUNITIES

*Residents and visitors feel safe and are supported by a network of social and transportation infrastructure that helps community members thrive.*

**Lead Service Line (LSL) Replacement Program:** Lead in drinking water concerns water utilities and their customers. Water leaving the treatment plants of Halifax Water is lead-free, but lead, used for service piping up to the mid-1950s, can be a source of lead in drinking water. While the water utilities serving Halifax and Dartmouth have been working since the 1970s to remove lead services, many remain and lead in drinking water continues to be a concern for customers in peninsular Halifax and central Dartmouth.

One of the complications in removing LSLs is that Halifax Water and the customer jointly own the water service. Halifax Water owns the in-street portion, while the customer owns the portion on private property. Further complicating the matter, research has shown that partial replacements (replacing only the customer or utility portion, but not the other portion) do not assist in solving the problem and can even worsen the situation.

In 2020, Halifax Water received approval from the NSUARB to replace the entire LSL at utility expense. This is consistent with an emerging best practice across North America, which removes the cost to the customer – the most significant barrier to LSL replacement. The program became effective on October 1, 2020. Since the start of the program, Halifax Water has increased the rate

of LSL replacement and is on track to reach the program goal of removing all lead service lines by 2038. Lead service lines are renewed based on one of four programs:

1. Renewals are done in conjunction with the Roads and Active Transportation Capital Program. This reduces the replacement cost, limits community impact and preserves municipal pavement quality.
2. Halifax Water will replace a number of lead service lines each year at the utility's cost for residents who are considered to be at-risk populations, namely homes with pregnant mothers or young children.
3. Customers who do not qualify for one of the above programs are eligible to replace their LSL and receive a 25% rebate from the utility.
4. Halifax Water will be developing programs to target other priority groups or communities for LSL replacement.

**Wastewater Lateral Replacement Program:** To facilitate the provision of wastewater service to our customers, Halifax Water owns and maintains the individual wastewater laterals between the mainline and the property line. These laterals are often compromised by tree roots and a once popular lateral pipe material (no-corrode), which has a shorter-than-expected life span.

Halifax Water provides an immediate replacement response from our operations group when a lateral fails. When the cause of the failure is within the municipality's streets, Halifax Water completes the repair/replacement with the program's cost offset by the municipality mutually agreeing to adjust water and wastewater appurtenances to grade during street rehabilitation programs. This approach is efficient as the work stays within the organization, which is best able to respond and provide the service and avoids a complex cost recovery exercise.

Halifax Water also identifies laterals approaching the end of their useful life and will replace them in conjunction with other capital projects such as a main renewal or a municipal street rehabilitation.

**Small Systems:** In addition to operating large systems in the urban and suburban areas of the municipality, Halifax Water operates smaller systems serving customers in rural areas. This includes five small water systems (Middle Musquodoboit, Silver Sands, Bomont subdivision, Collins Park, and Five Island Lake) and 7 small wastewater systems (North Preston, Frame subdivision, Wellington, Lockview Road, Springfield Lake, Uplands Park and Middle Musquodoboit).

Many rural communities of the municipality do not have centralized water and wastewater services. As a result, the wastewater systems need to be pumped, and the effluent disposed of in an environmentally safe manner. Halifax Water provides septage treatment for septage haulers that serve such communities. In June 2024, staff collaborated with HRM and Provincial agencies to assist with service provision during the interruption to the septage services provided by a private service provider.

## INVOLVED COMMUNITIES

*Residents are actively involved in their communities and enjoy participating and volunteering in a wide range of leisure, learning, social, recreational and civic opportunities.*

**Watershed Advisory Boards:** Halifax Water coordinates and leads Watershed Advisory Committees/Boards consisting of representation from Nova Scotia Environment and Climate Change, Nova Scotia Department of Lands and Forestry, Halifax Regional Municipality and the Municipality of East Hants planning and development agencies, community groups, customers and other watershed users and impacted parties.

There are 5 Watershed Advisory/Management Committees/Boards that provide local support to Halifax Water. The terms of reference and minutes for each advisory board/committee are found under their respective headings in the Halifax Water Watershed Water Supply Areas section above.

**Community Engagement:** Throughout 2024/25, Halifax Water and the municipality have been engaged with the Upper Hammonds Plains community to review options to enhance local fire protection and the overall provision of water services within the community. This work is ongoing, and the planning will continue throughout 2025/26.

**High-Quality Drinking Water:** A safe, reliable supply of drinking water, along with adequate fire protection, is fundamental to the health and economic prosperity of any community.

Halifax Water uses the multiple barrier approach to ensure the continued safety and reliability of the water system. Our approach includes the following:

**Source Water Protection:** Ensuring our water sources remain healthy and not degraded by manmade impacts. This program benefits from input from the Watershed Advisory Boards.

**Optimized Treatment:** We ensure that our water treatment plants produce high-quality water sustainably and at a reasonable cost. Halifax Water experienced interruptions to the addition of chlorine at the JD Kline water supply facility twice this year. Staff have been actively addressing the operational improvements to increase system resiliency.

**Sound Distribution System Management:** This involves ensuring that once the water leaves the treatment plant, its quality is protected all the way to the water tap. A robust maintenance system accomplishes this with standard operating procedures for the water distribution system.

**Continuous Monitoring and Testing:** Halifax Water takes thousands of tests yearly to ensure that drinking water quality is maintained.

**Cross Connection Control:** Halifax Water maintains a system to ensure that high-risk industrial, commercial, and institutional customers install, maintain, and test backflow prevention devices on their services, which prevent contaminants within a building from getting back into the water system.

**Emergency Management Plans:** Halifax Water maintains and exercises emergency management plans to help ensure continuity of service even when things do not go as planned. Water Safety Plans consist of a risk-based, continuous improvement framework to identify operational, regulatory, and environmental risks to water quality and to identify and implement mitigative actions to address them before they impact water quality. Over the next five years, Halifax Water will be advancing the integration of various environmental, safety, enterprise risk and emergency management systems into an Integrated Management System.

**High-Quality Wastewater:** Halifax Water takes a risk-based approach to managing its wastewater infrastructure, protecting the receiving environments and public health where contact recreation occurs. The wastewater systems are maintained to industry standards to minimize overflows from the collection and treatment facilities. Halifax Water has adjusted its reporting and communication strategies to align with the recent changes to the Wastewater System Effluent Regulations (WSER) pertaining to system overflows. Every effort is made to treat the wastewater to comply with permits issued by Nova Scotia Environment and Climate Change (NSECC) and Environment and Climate Change Canada.



Halifax Water continuously looks for opportunities to maximize its installed infrastructure capacity. This may be achieved by shifting wastewater loads across sewersheds, treatment plants and pump stations. Halifax Water is also taking proactive steps to research and treat emerging contaminants at its facilities. Although not currently required by regulations, the membrane technology utilized for the Aerotech facility can treat several emerging contaminants, such as microplastics and microfibers. This technology was also installed at the Frame WWTF, where the outfall discharges to a lake used for recreation. Halifax Water will continue to comply through continued research, infrastructure investments and industry best practices.

Halifax Water is working with Dalhousie University on wastewater research with an initial focus on improving wastewater quality at the Halifax and Dartmouth WWTFs. The research will help inform plans for how the Harbour Solutions treatment plants will meet Wastewater System Effluent Regulations by 2040, which require the equivalent of secondary treatment. Dalhousie's research team has been looking alternatives for wastewater disinfection and announced in October, that research demonstrated that UV LEDs have the potential to use energy much more efficiently, which is better from a greenhouse gas emissions standpoint. Further it does not use any harmful chemicals and produces less CO<sub>2</sub>, while delivering the same volume of water with at least the same quality, if not better.

Halifax Water works collaboratively with municipal staff to ensure that the stormwater systems operate to their highest potential and minimize impacts on lakes and streams due to pollution prevention activities by both organizations. Halifax Water takes a lead role in emergency spill response. Halifax Water's pollution prevention team conducts hundreds of inspections annually to ensure compliance with Halifax Water Regulations.

**Wet Weather Management:** Halifax Water strives to minimize the impacts of wet weather flows on the system and the environment. This is a long-term commitment with significant positive impacts on the environment and the quality of life for residents who frequent waterfronts and beaches. Managing wet weather flows results in reduced overflows and increased effluent compliance. Communication of these initiatives promotes public awareness of water quality and supports water-based recreational activities.

**Active Transportation and Recreation Initiatives:** Halifax Water has significant land holdings in communities across the municipality. Most of this land is for water supply protection. From time to time, Halifax Water has been able to work with municipal staff to make the water utilities land available to facilitate community projects. Examples of this include:

- The development of the Chain of Lakes trail through the Chain Lake watershed.
- Provided access to land along North Preston Road to establish the Preston Area community trail.
- Provided reservoir site land to establish a community field in North Preston.
- Provided land to establish trailhead parking for Long Lake Provincial Park.
- Provided access across its transmission main corridors through Mainland Common, Wedgewood Park and Bedford to support active transportation.

Halifax Water has also worked directly with other community recreation groups with low impact uses compatible with source water protection, including the Atlantic Geocaching Society, Bicycle Nova Scotia, and the Nova Scotia Federation of Anglers.

## INCLUSIVE COMMUNITIES

*Residents are empowered as stewards and advocates for their communities and work with the municipality and others to remove systemic barriers.*

**Water Rate Affordability:** Halifax Water has programs that support customers:

Since 2010, Halifax Water has contracted with the Salvation Army to provide emergency assistance to low-income customers through the H2O (Help to Others) Program. This program is available once every 24 months for a maximum grant of \$250 with funds from unregulated activities.

Halifax Water has a Lateral Loan Program that helps those who need to replace their private lateral. The maximum value of the lateral loan is \$10,000 (less any rebates received for a lead lateral replacement). All Halifax Water customers are eligible for these loans if they are the registered property owner and are willing to accept a lien on the property as security. Halifax Water supports customers replacing LSL and has a program to provide favourable financing options to customers doing complete replacement of the private portion of water or wastewater laterals or private laterals connected to new deep stormwater installations in areas where none previously existed.

### **COMMUNITY ENGAGEMENT**

Halifax Water regularly engages with the community. As facilitated through Halifax Water and NSUARB regulatory processes in conformance with the *Public Utilities Act* and through direct impacted party and customer engagement.

### **ENVIRONMENTAL IMPLICATIONS**

Halifax Water is committed to environmental stewardship, and environmental implications are described in the annual Business Plan, the Five-Year Business Plan, and the Annual Report.

### **AFFORDABLE COMMUNITIES**

*The municipality demonstrates leadership and fosters partnerships that provide access to a range of quality, affordable municipal amenities and services, including housing options, in safe, vibrant communities.*

To support the affordability of housing, Halifax Water has enhanced the deferral program for the Regional Development Charge (RDC) to assist with developing Affordable Housing. The 2025 application to the NSUARB on the RDC will propose alternative payment timelines that may assist with the affordability aspect in purchasing of new homes.

Halifax Water also continues to compare its rates against 14 comparator Canadian cities. It monitors the total annual residential bill as a percentage of median household income for Halifax. The current combined rates are equivalent to 1.1% of the median household income and are well below industry benchmarks for affordability.

## **INTEGRATED MOBILITY**

The municipality offers safe, sustainable and accessible travel options to move conveniently throughout the region.

### **SAFE & ACCESSIBLE MOBILITY NETWORK**

*A well-maintained network that supports all ages and abilities by providing safe, flexible, and barrier-free journeys throughout the region.*

Halifax Water owns over 3,000 km of buried infrastructure, as well as thousands of valves, manholes, chambers, fire hydrants, and pumping stations, mainly in the municipally owned street right-of-way.

Halifax Water and municipal staff coordinate work in municipal roadways to minimize disruption to the public.

Halifax Water and municipal staff are members of the Halifax Utility Coordinating Committee (HUCC), which coordinates the planning of infrastructure projects.

Halifax Water and municipal engineering staff meet as part of a well-established process to coordinate and deliver integrated capital projects, reducing overall project costs and inconvenience to residents.

Halifax Water operations staff and municipal right-of-way staff meet regularly to ensure that Halifax Water maintenance work in the right-of-way meets municipal requirements.

## ENVIRONMENT

Leadership in climate change action and environmental protection – both as an organization and a region.

### NET-ZERO EMISSIONS

*Achieve net-zero municipal operations emissions by 2030 and strive for community-wide emission reductions of 75 percent by 2030 and net-zero by 2050.*

**Cogswell Redevelopment Project Including the Cogswell District Energy System:** Halifax Water has significant existing infrastructure within the redevelopment area. As a result, the utility works closely with the municipal project team to optimize infrastructure relocations to minimize costs, improve construction efficiency and ensure long-term service delivery.

Halifax Water is pursuing an opportunity for an ambient temperature district energy system (DES) within the Cogswell area. The municipality amended its Charter and, in 2020, approved a DES by-law mandating connection within the Cogswell Redevelopment Area.

In June 2021, Halifax Water secured project funding of \$10.1 M (\$5.5 M Federal and \$4.6 M provincial) for the DES through the Green Infrastructure Stream of the Investing in Canada Infrastructure Plan.

For the existing infrastructure, in 2022/23, Halifax Water agreed on a cost-sharing framework with HRM and filed for regulatory approval with the NSUARB. For the DES, we filed for regulatory approval with the NSUARB to further develop the new utility and received approval to further the new district energy utility.

The installation of the distribution piping to support the DES system will be completed in 2025. Design work on the energy centre component will begin in 2025 and will be completed in 2026.

**Solar Projects to Reduce GHG Emissions:** In July 2021, Halifax Water secured approximately \$1.23 M dollars in funding (\$677 K Federal and \$558 K Provincial) to install 425 kW of solar photovoltaic (PV) panels over four projects through the Federal Government's Community Solar Project initiative.

Using solar panels at our facilities can reduce our net GHG emissions by approximately 7000 tonnes over their lifetime. This has environmental benefits for Nova Scotia and helps decrease operating expenses for Halifax Water's rate base.

The second of four projects was completed and made operational last year. The remaining two projects are expected to be completed in 2027, both at our new Burnside Operations Facility.

The design of the Burnside Operations Center is in keeping with the HalifACT 2050 guideline for all new municipal buildings achieving net zero.

## CLIMATE RESILIENCE

*Communities, infrastructure and natural systems are prepared to withstand and recover quickly from climate impacts.*

**Climate Change:** Staff from Halifax Water work jointly with the municipality to understand the underlying details of climate change and the physical, planning, financial and legal implications on our collective infrastructure classes.

Halifax Water developed a Vulnerability to Climate Change rating system to rank the sensitivity and severity of climate change impacts relative to the individual asset. Halifax Water also addresses climate change in design standards and long-term planning. Both initiatives will inform the overall understanding of climate change in the municipal context and inform the municipality's next version of the Regional Plan.

In recognition that climate change adaptation and mitigation activities cross many projects, programs, and services at Halifax Water, Halifax Water's Climate Resiliency Committee is leading the development of a Climate Action Plan. The plan was completed in of 2024, in the coming years, staff are reviewing the governance structure and implementation plan in operationalizing the outcomes.

## PROTECTED & SUSTAINABLE ENVIRONMENT

*Healthy and protected ecosystems support biodiversity habitats and enhanced quality of life.*

**Water Quality Monitoring:** Halifax Water continues to advance its Water Safety Plan (WSP). The WSP is a comprehensive and adaptive risk assessment and risk management approach to water quality from source to tap to consistently ensure the drinking water supply's safety. This approach is one of continuous improvement and ensures that the highest risks to water quality are addressed first while constantly assessing new risks and learning from incidents and emergencies. Where the municipality launched its new water quality monitoring program for lakes, Halifax Water will provide technical support and advice to the municipality as required.

**Environmental Management System:** Halifax Water has an ISO 14001 certified Environmental Management System (EMS) of procedures, records, and processes to manage environmental issues. Through the EMS program, Halifax Water has developed an increased awareness of compliance obligations, managed waste and energy more efficiently, reduced the risk of disaster, improved emergency management and created a culture of continuous improvement.

All Halifax Water's water and wastewater treatment plants, satellite systems, depots, and our 450 and 455 Cowie Hill Road facilities are ISO 14001 certified.

## RESPONSIBLE ADMINISTRATION

The municipality enables appropriate stewardship of municipal affairs by being well-managed, financially prepared and community focused.

### WELL-MANAGED

*Appropriate stewardship of municipal affairs inspires the trust and confidence of residents.*

**Cost Containment Program:** Cost containment is an ongoing focus for the utility to help maintain and stabilize rates. A formal cost containment program has been in place since 2013/14. Cost containment results for the previous fiscal year are reported to the NSUARB by June 30<sup>th</sup>, are to reflect on sustainable results over the long term.

**Water Loss Control:** Reducing non-revenue water (leakage) is crucial to managing water distribution. Halifax Water has been recognized as one of the leading utilities in this field in the world.

The methodology is designed to allow Halifax Water staff to quickly detect and repair leaks that run underground and may not surface for days, weeks or months. By doing this, Halifax Water has reduced its water system inputs, saving direct water production costs for chemicals and electricity.

Detecting leaks early means they do not become significant events that impact our reputation by disrupting transportation, causing street closures, impacting roadway quality, and leading to property damage and service interruptions.

**Inflow and Infiltration (I&I) Reduction:** I&I reduction is one of several tools in the overall Wet Weather Management Plan (WWMP). With guidance from the Integrated Resource Plan, the WWMP conducts several Sewer System Evaluation studies to achieve long-term goals and extraneous flow reductions.

Halifax Water completes private side inspections to determine if extraneous water enters the wastewater system. This extraneous water may impact the wastewater treatment facilities (WWTFs) ability to meet their regulatory compliance. Also, staff will engage with impacted parties to review a proposed program to promote the reduction of extraneous stormwater from entering the wastewater system. This program encourages disclosure and resolution of issues regarding connections to the system when the customer changes.

**Enterprise Asset Management:** Halifax Water and the municipality embrace Enterprise Asset Management as a core corporate activity to ensure the efficient and effective management of the collective suite of infrastructure that serves the municipality's residents.

Halifax Water produces annual Asset Management statistics covering the 14 asset classes across the water, wastewater, and stormwater services. The AM statistics document the current inventory, replacement value, condition, and recapitalization plan for each asset class, promoting a comprehensive and cross-corporate management approach to assets.

## FINANCIALLY PREPARED

*Finances are planned and managed to ensure sustainability, support growth, and deliver quality municipal services.*

## FINANCIAL IMPLICATIONS

The \$209.8 M in operating and non-operating expenditures required to fund Halifax Water's 2025/26 Business Plan is \$17.9 M or 9.3% more than the \$191.9 M required last year. The operating and non-operating expenditures are primarily funded through rates approved by the NSUARB.

The municipality provides a blanket guarantee for Halifax Water's debentures through the Provincial government, and the utility must maintain a debt service ratio of less than 35%. Halifax Water's capital financing strategy uses a mixture of financial instruments for infrastructure funding, including development-related charges, funding from other levels of government, depreciation, and debt. Based on the approved 2025/26 Operating Budget, the debt service ratio is 18.9% compared to 19.6% in 2024/25.

Halifax Water provides a grant in lieu of taxes in the form of an annual dividend to the municipality. A new agreement was signed in February 2023, covering the period of April 1, 2023, through March 31, 2028. The annual payment is calculated based on the assessed value of Halifax Water properties as assessed by the Property Valuation Service Corporation (PVSC) for that fiscal year and the yearly tax rate set by HRM. For the 2025/26 fiscal year, the agreement calls for a total dividend of \$7.2 M to be paid to the municipality.

### **RISK CONSIDERATION**

In 2019, Halifax Water completed an Enterprise Risk Management (ERM) Framework, and the Halifax Water Board approved an ERM Policy and a risk appetite and tolerance matrix.

### **COMMUNITY-FOCUSED**

*Residents are engaged in the development of public policy and plans.*

### **ECONOMIC DEVELOPMENT**

Halifax Water employs more than 600 employees and is a significant purchaser of goods and services, doing business with over 1,000 vendors. Our projects help create and support thousands of local jobs. The current five-year capital budget reflects \$1,535.6M in capital spending. The capital budget for 2025/26 is \$133.0 M, and the total operating cost to provide water, wastewater, and stormwater services will be \$169.0 M.

### **COMMUNITY ENGAGEMENT**

Halifax Water regularly engages with the community. As facilitated through Halifax Water and NSUARB regulatory processes in conformance with the *Public Utilities Act* and through direct impacted party and customer engagement.

### **COMMUNICATIONS**

With a resident/customer-focused approach to communications, Halifax Water's Communications team works closely with HRM Corporate Communications staff on multiple projects and initiatives each year. These efforts can run from joint messaging regarding service matters that may impact residents and customers to more in-depth cooperation on integrated HRM/Halifax Water capital projects that can extend over months. The common goal of any joint messaging is to provide residents/customers with what they need to know and how a particular project or program will affect and benefit them and the wider community.

Keeping area Councillors informed about Halifax Water projects in their districts is a high priority for Halifax Water's Communications team. For large-scale projects, Halifax Water often involves the area Councillor(s) in the pre-public outreach phase to get advice on how best to interact with the residents. Councillor involvement helps Halifax Water staff focus their messaging on what is most important to the community and will ensure the Councillor is well-versed on the pending work. Area Councillors are invited to attend Halifax Water community information sessions in their districts. These sessions are especially important when aspects of the work directly impact residents, such as traffic or service disruptions.

This information flow to Councillors occurs more frequently for routine activities such as water main repairs, traffic disruptions or other Halifax Water-related matters that can have a short-term impact on residents.



The municipality also has a high-quality print, sign and graphic design services, and Halifax Water utilizes these cost-effective services whenever possible.

## **PUBLIC ENGAGEMENT**

**Source Water Committees:** Halifax Water maintains source water protection plans for twelve separate water supplies across the municipality. As part of the plan, every source water area has a Watershed Advisory Board to liaise with Halifax Water on issues related to the water supply. Each committee has members representing the utility, HRM, the Province of Nova Scotia, and private landowners. Watershed Advisory Boards are an opportunity for engagement with residents and a mechanism for keeping the community apprised of Halifax Water's activity and help keep the utility in touch with the community.

**Engagement of Interested Parties:** Halifax Water engages with interested parties formally and informally. Formal engagement includes NSUARB public hearings either in person or through paper processes regarding any changes in rates, development charges, regulations, and capital expenditures greater than \$1.0 M. Some groups that participate in these formal public hearing processes include the Consumer Advocate, Urban Development Institute, Investment Property Owners Association of Nova Scotia (IPOANS), Building Operators and Maintainers Association (BOMA), Nova Scotia Homebuilders Association, Construction Association of Nova Scotia, Ecology Action Centre, Conserve Nova Scotia, Sierra Club and Retail Association of Canada.

Halifax Water also conducts consultation processes as part of major capital projects and strategic initiatives, such as updating the IRP or RDC and developing new programs and services. In 2024/25, Halifax Water conducted engagement regarding stormwater, the RDC, and planned Capital Investment projects throughout the municipality.

There are many committees where Halifax Water participates in regular consultation with interested parties, such as the Halifax Utility Coordination Committee and the Development Liaison Group.

## **OUR PEOPLE**

The municipality is committed to diversity, inclusion, and equity and to providing an engaging, healthy, and safe work environment.

### **ENGAGED & SKILLED PEOPLE**

*People are engaged and have the required skills and experience to provide excellent service to our communities.*

Halifax Water recognizes that attracting and retaining critical skills is increasingly challenging. As an integrated water utility, we are committed to building a skilled, engaged workforce that feels supported and empowered. To support a more positive work environment, the utility focuses on employee retention and bridging skills gaps through upskilling and empowering existing talent to adapt their skills to what we are looking for.

By enabling cross-functional talent mobility, we are identifying stepping-stones to skills to bridge skills gaps across the organization. We aim to attract and engage employees with the right skills and development and build a workforce that continues to proudly serve our communities and customers.

### **DIVERSE, INCLUSIVE & EQUITABLE ENVIRONMENT**

*Diversity, inclusion and equity are fostered to support all our people in reaching their full potential.*

Halifax Water is committed to an inclusive environment that reflects the communities for which it serves. As an employer, we recognize that inclusion occurs when employment opportunities, services, and benefits are equitably accessible for all employees.

As an integrated water utility serving a fast-growing municipality, a diverse workplace acknowledges the individual strengths of each employee and the potential they bring. That is why we value the differences in others and the strength they provide to the organization as it becomes a more prosperous, thriving workplace with a workplace culture of fairness.

By bringing out the very best of our employees, it allows them to reach their full potential, and in doing so, we are encouraging a more varied and innovative talent pool.

### HEALTHY & SAFE WORKPLACE

*A commitment to health, safety and wellness is demonstrated to our people.*

The Health and Safety of our employees, contractors and the public are a top priority for Halifax Water. We are focused on a safety-first culture, working to provide healthy, safe and reliable services for our community.

To build on this commitment, Halifax Water has been transitioning its current occupational health and safety program to a Safety Management System with a goal of aligning with ISO 45001 in the coming years. The structure of our committees has been enhanced slightly by introducing a Safety Excellence Committee to provide strategic direction and support to the Joint Occupational Health and Safety Committee. The new structure has seen more collaboration amongst the various levels of management and non-management employee groups.

In addition to this work, Halifax Water is also advancing a Psychological Healthy Workplace program.

## SERVICE EXCELLENCE

The municipality innovates and makes evidence-based decisions to meet or exceed the expectations of the people we serve.

### EXCEPTIONAL CUSTOMER SERVICE

*Residents receive exceptional accessible and inclusive service provided through customer-centric planning and continuous improvement.*

Halifax Water implemented a customer portal that allows customers to access information on their account, the services provided by Halifax Water and for water customers, it provides detailed information about their consumption and alerts when there is a significant change in water consumption. Almost 40 percent of Halifax Water customers have registered for the portal and there will be continued focus on enhancing the information and services provided through the portal.

Halifax Water collaborates with the business community as partners and strives to find ways to enhance service delivery. Halifax Water has processes to enter into direct servicing agreements and contracts with businesses to support their operations.

**Utility Locates:** Locating buried infrastructure is necessary for any construction project requiring excavation. Locates are needed to protect workers and infrastructure and minimize the opportunity



for interruptions in service caused by contractors striking buried infrastructure. As awareness of the necessity for locates has increased, utilities have seen rapidly escalating demands for infrastructure locations, placing a strain on resources and business processes. Timely and accurate locates allow construction projects to proceed on time and within budget.

Halifax Water has taken several steps in recent years to meet the demand for locates and respond to the concerns of the municipality and the contractor community. Halifax Water is now part of a one-locate-requesting process. This step reduces the barriers to contractors and developers seeking excavation work in the municipality. Considering the significant construction activity in the city, the demand for this service continues to grow. In response, Halifax Water continues to expand its staff resources to meet the demand.

**Permitting:** In late 2019, Halifax Water participated in implementing a new permitting system led by the municipality that significantly streamlines and improves the permit process and timely sharing of information between the municipality and Halifax Water. In January of 2023, staff expanded the module to include subdivision applications to streamline the application process further.

## INNOVATIVE PERFORMANCE EXCELLENCE

*Current and future needs are met through forward-thinking, innovation and collaboration.*

**Advanced Meter Infrastructure (AMI):** In 2016, Halifax Water launched a program to convert 85,000 water meters to AMI. AMI is a system where water meters are equipped with an electronic communication device to capture real-time data. Rather than reading meters quarterly by walking or driving routes, meters are read hourly through a fixed radio network installed throughout the service area.

Over 98.9% of meters were converted, and the Customer Connect portal lets customers view and manage their water consumption information through a web-based customer portal. It also enables Halifax Water to provide better information to customers to manage their accounts and water consumption. There will be continued enhancements to realize the benefits of improved business processes and enhanced data. The system also provides Halifax Water with better information about water use patterns, which will aid in system design and operation.

**Artificial Intelligence and Machine Learning:** Halifax Water is exploring new technology that will improve our level of service by using artificial intelligence to provide early notice of flow and pressure anomalies before they turn into events which could disrupt service. Halifax Water is also conducting a pilot using machine learning to help analyze data and relationships between variables to help predict the likelihood of lead service lines. The proliferation of new innovative technology in the water sector has prompted Halifax Water to develop a roadmap for “intelligent water” in 2021/22 that has been used to refine the current IT Strategic Plan and develop a digital water strategy in 2022/23.

**Active Research Program:** Halifax Water pursues innovation through practice and research. Halifax Water conducts industry-leading research in collaboration with Dalhousie University through an NSERC Alliance grant, “Partnership for Innovation in Climate Change Adaptation in Water & Wastewater Treatment.” Building on the research successes of the last 16 years in drinking water, this Five-year grant awarded in 2022 now includes water and wastewater treatment. Drinking water research through this grant is focused on informing the implementation of the Water Supply Enhancement Program to address current and future needs based on source water quality changes occurring due to both climate change and lake recovery processes. Through innovation and optimization practices, Halifax Water continues to improve environmental compliance with the federal Wastewater System Effluent Regulations at every wastewater treatment facility. Halifax Water employs innovative practices in the delivery of operational and capital projects; this facilitates efficient execution of the projects in terms of cost reduction and schedule control.

Halifax Water is also a member of the Water Research Foundation and, through this relationship, has pursued innovation by active engagement in research projects. Halifax Water staff also take advantage of opportunities to participate as project advisory committee members for relevant Water Research Foundation projects. This way, Halifax Water staff can learn best practices from some of the most innovative utilities.

**Customer Care Strategy:** Halifax Water has a long tradition of high customer satisfaction, as confirmed through annual surveys. In 2024, customers' overall satisfaction with service quality was 93%. Although it is gratifying to receive this feedback, Halifax Water continues to look for opportunities to improve service delivery. Halifax Water implemented the Customer Connect portal in November 2020. In 2023/24, further enhancements were implemented to improve business processes and inform customers of high consumption or possible leaks.

Halifax Water works closely with municipal staff in areas with a shared responsibility to ensure that business processes are clear. This includes responding to customers on various water and roadway-related topics.

**Bulk Fill Stations and Portable Water Stations:** Halifax Water has seven bulk fill stations throughout the service area to support water haulers who deliver potable water to rural residents or for construction-related purposes. Halifax Water has supported significant public events throughout the summer with portable water stations for many years.

**Integrated Stormwater Policy:** The municipality and Halifax Water continue working together to assess and respond to service requests from residents relating to stormwater management. Staff within both agencies at the customer service and operational levels have developed protocols to manage issues behind the scenes to optimize service to residents, minimizing "transfers" of calls.

With increased awareness of climate change and stormwater's impact on public and private infrastructure and the environment, Regional Council and the Halifax Water Board approved the framework for an Integrated Stormwater Policy in 2018. Staff continue to finalize the components of this Policy, which is structured around seven main themes, establishing roles and responsibilities for our respective organizations, the province, and the private property owner.

**Integrated Capital Program for Halifax Water Infrastructure and Municipal Streets:** A significant portion of Halifax Water's annual capital program involves the renewal of water distribution and wastewater and stormwater collection infrastructure in an integrated approach with the municipality's annual Roads and Active Transportation Capital Program. Water, wastewater, stormwater pipes, and appurtenances are replaced or rehabilitated when approaching or exceeding their useful life. The most cost-effective way to do this is while the municipal street is being renewed. The integration reduces the total project cost and minimizes the overall disturbance of neighbourhoods. The various project designs and specifications are coordinated into a single construction tender administered by HRM or Halifax Water.

In 2020/21, Halifax Water launched an enhanced Lead Service Line Replacement Program, resulting in a more effective approach to ensure the private lead service laterals are replaced in conjunction with the municipal Roads and Active Transportation Capital Programs.

In 2025/26, we will integrate with municipal projects on 20 streets in HRM with three involving removal of LSLs. These streets are listed below.

- Lawrence St.
- Dustan St.(under investigation for LSL)
- Almon St.

## **ALTERNATIVES**

N/A

## **ATTACHMENTS**

Appendix A – Halifax Water Five-year Business Strategy

Appendix B – Halifax Water 2025/26 Annual Business Plan

Appendix C – 2025/26 Business Plan on a Page

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

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## **Original Signed**

Report Approved by:

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## **Original Signed**

Financial Approval by:

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# Halifax Water 2030

## Empowering People, Transforming Service

### Five Year Business Plan

### 2025/26 - 2029/30

Submitted for approval to the Halifax Water Board  
on February 21, 2025.



# Introduction

Halifax Water's 5-Year Strategic Plan, spanning 2025 to 2030, signifies a vital step in our commitment to providing sustainable, high-quality water, wastewater, and stormwater services to the Halifax Regional Municipality.

At Halifax Water, we take immense pride in our essential role in safeguarding public health and safety, supporting economic growth, and enhancing the overall quality of life in our community. Our dedicated employees are the heart of our organization, and their commitment to excellence enables us to deliver reliable services to our customers.

Reflecting on our 80-year history, we recognize that change is constant in our industry. We are committed to evolving and innovating to meet our customers' needs and regulatory requirements.

Our five-year strategic plan has been shaped by a thorough re-examination of leadership, accountability, and operational resiliency. Empowering our employees and fostering their development as future leaders can reinforce our service delivery and enhance our organization's overall performance.

Halifax Water's purpose of supplying and safeguarding sustainable, high-quality water services highlights our integral role in nurturing a vibrant, healthy community. This commitment guides our next Integrated Resource Plan (IRP), which is instrumental in our long-term business planning process. By incorporating comprehensive planning data and metrics, the IRP will help us track key performance measures, ensuring we meet our goals effectively and transparently.

With the completion of the next IRP scheduled for fiscal 2027/28, this Strategic Plan will lay the groundwork for a transformative approach known as Halifax Water 2030. We believe this interconnected planning process will strengthen our business areas and enhance our ability to respond to future challenges.

We are committed to maintaining your trust and delivering the highest level of service to our community.

**Kenda MacKenzie, P. Eng**  
General Manager and CEO  
Halifax Water



## About Halifax Water

Halifax Water is an integrated water, wastewater, and stormwater utility serving more than 111,000 customers on a cost-of-service basis across Halifax, Nova Scotia. Owned by the Halifax Regional Municipality, Halifax Water is regulated by the Nova Scotia Utility and Review Board (NSUARB). Halifax Water employs approximately 600 dedicated people. The organization owns and manages more than \$1.4 billion in assets with a five-year average annual capital budget of \$133 million. In May 2020, it received approval from the NSUARB to own and operate a District Energy System in the Cogswell redevelopment area of downtown Halifax.

## Purpose

Our purpose is to supply and safeguard sustainable, high-quality water services.

## Vision

We will provide our customers with high-quality water, wastewater, and stormwater services. Through the adoption of best practices, we will place the highest value on public health, customer service, fiscal responsibility, workplace safety and security, asset management, regulatory compliance, and stewardship of the environment. We will fully engage employees through teamwork, innovation, and professional development.

## Values

Relationships - We nurture relationships with our customers, our team members, and the environment. We are engaged in the neighbourhoods we serve, and we support continual learning across our team.

Innovation - We are among the top utilities across the continent and are known on the global stage. We always ask, "How can we improve efficiency, sustainability, creativity and the customer experience?"

Accountability - We refuse to cut corners. We check in with our excellence standards regularly and look to one another for support. Safety steers our decision-making. We are driven to make our policies, decisions, and projects as clear as our drinking water.

Protection - Halifax Water protects the health and well-being of our population. We exist to guard natural resources, finding ways to sustain our communities and environment.

## Strategic Pillars



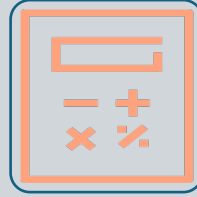
### People

- Our employees are vital to our success. We are committed to being an employer of choice, attracting and retaining high-quality team members in an inclusive and respectful work environment.



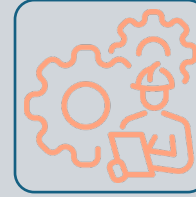
### Environment, Health, Safety and Social Responsibility

- Our safety-first work culture and respect for the environment enable us to provide our customers with safe, reliable, and sustainable services.



### Financial and Regulatory Accountability

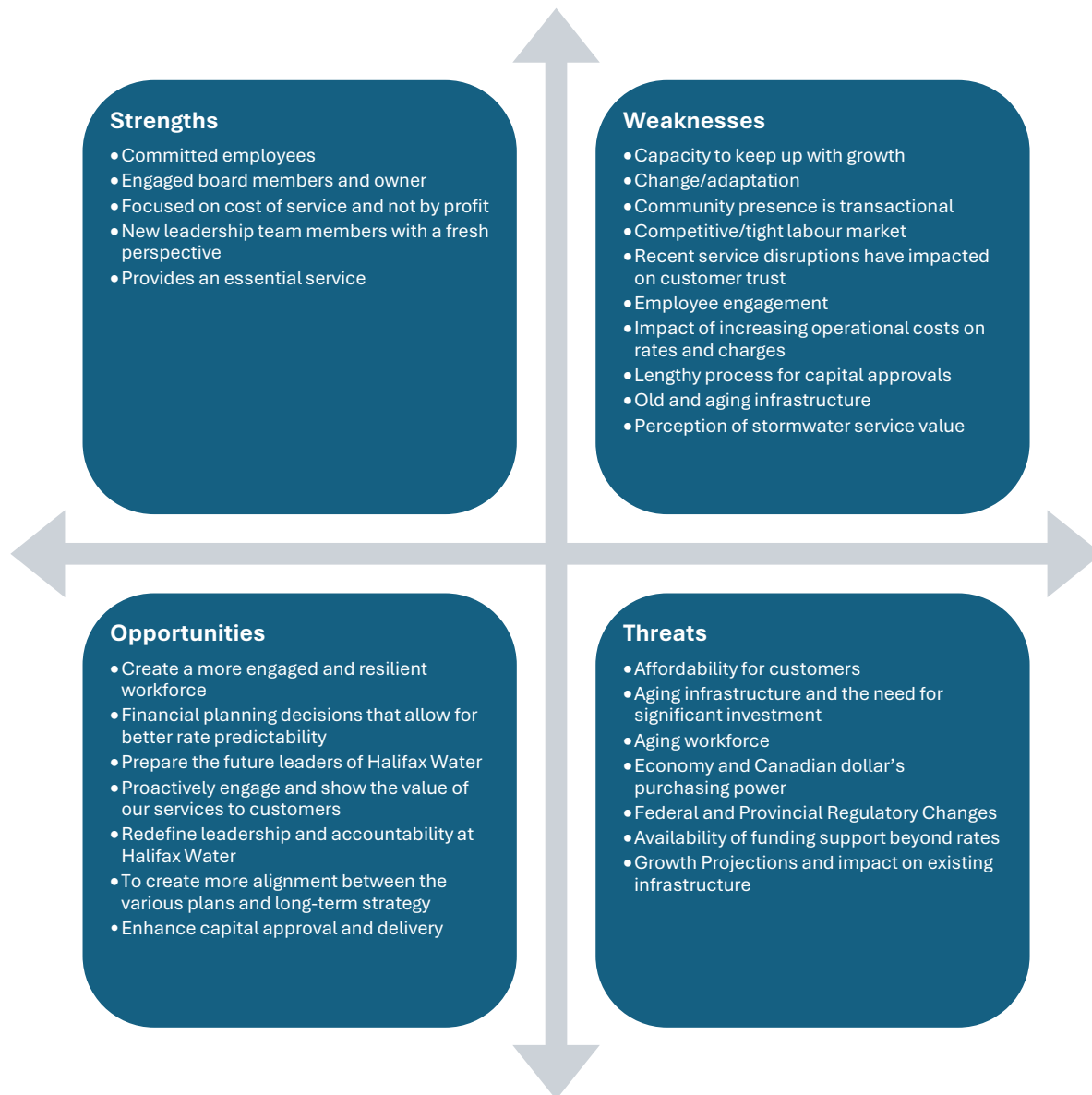
- It is fundamental to ensure that Halifax Water can fund existing and future infrastructure. We prudently manage assets and operate our business by balancing costs and the needs of the customers today and long into the future.



### Operational Effectiveness

- We are focused on safety and resiliency. We efficiently build, operate, and maintain our critical infrastructure to support a more sustainable and prosperous community.

# SWOT ANALYSIS





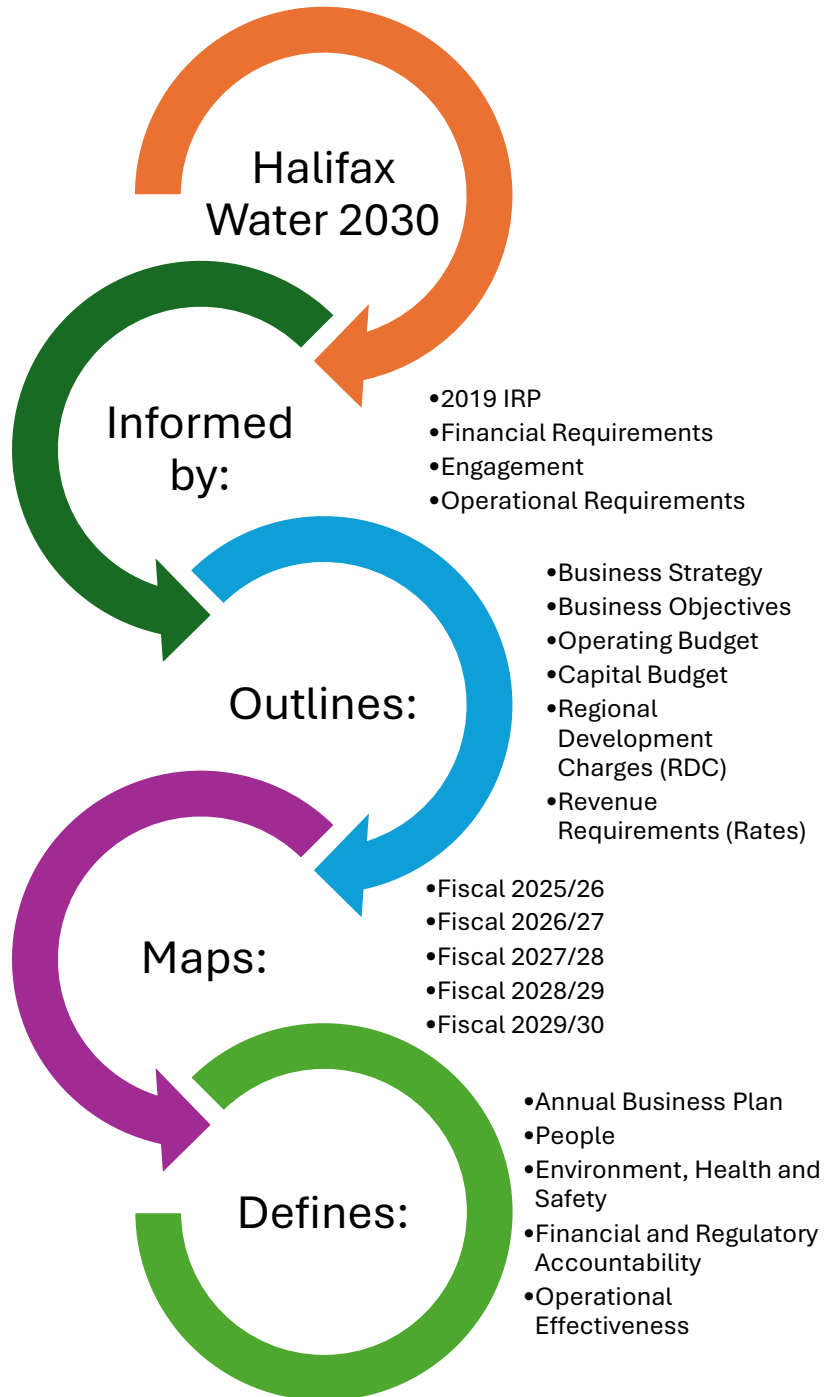
# Interconnected Planning Process

This five-year strategic plan, Halifax Water 2030, defines Halifax Water's objectives and strategic initiatives to achieve them. It has been informed by our existing Integrated Resource Plan (IRP), a long-term plan that identifies the resources and programs needed to provide water and wastewater services to the Halifax Regional Municipality (HRM), customer and stakeholder engagement, and a review of our financial and operational requirements.

Halifax Water 2030 will guide our annual planning and activities for the next five years. Our annual plans will include the organization's strategic initiatives and operational tactics, as well as establishing metrics to help empower and engage our employees, demonstrate customer value, build stronger relationships with those who depend on our services, and hold the organization accountable.

It will also help inform the development of our next IRP, which will be completed in 2027/28. This IRP will integrate its long-term planning processes to address structural, process, and resource gaps more efficiently and effectively.

Halifax Water 2030 is our roadmap to supplying and safeguarding sustainable, high-quality water services and will guide overall decision-making.



## The 5-year Journey

# Halifax Water 2030 - Empowering People, Transforming Services



## 5-year Strategic Objectives

Halifax Water has established five-year objectives under the four strategic pillars that will support the Business Strategy from 2025 to 2030. These objectives will be the basis for annual business plans and help define and measure success for the next five years.

### People

#### Objective

To create a thriving and inclusive workplace culture by fostering strong leadership and collaborative talent management and enhancing every step of our employees' career journey together over the next five years.

#### Strategic Initiatives

- Build a psychologically safe and engaged workplace culture that attracts, develops, and retains talent.
- Implement an effective leadership framework that defines and guides all employees at Halifax Water.
- Execute the talent management strategy through collaborative partnerships with organizational leaders.
- Enhance the employee experience by improving engagement throughout an employee's career.

### Environment, Health, Safety, and Social Responsibility

#### Objective

To establish disciplined processes and effectively manage risks to create a safer, more resilient future for our water resources and communities.

#### Strategic Initiatives

- Strengthen our safety policies and procedures to ensure a safe working environment for all employees.
- Implement an emergency management program that ensures business continuity to safeguard water supply, public health and the environment.
- Launch sustainability programs that recognize climate impacts and address the long-term viability of water resources, infrastructure, and environmental impacts.
- Increase customer compliance through education and enforcement of the appropriate use of water, wastewater and stormwater systems.

## Financial and Regulatory Accountability

### Objective

To enhance our internal processes for regulatory oversight, financial management and corporate governance.

### Strategic Initiatives

- Deliver the next Integrated Resource Plan (IRP) that will inform the organization's next five-year strategy, future annual plans, and the long-term financial framework for operating and capital requirements.
- Implement an enhanced project management framework to effectively plan and deliver projects.
- Adopt more effective internal processes and tools to support regulatory oversight.
- Adapt organizational processes to enhance financial management, accountability and corporate governance.

## Operational Effectiveness

### Objective

Improve customer experience and build trust and confidence by focusing on service reliability.

### Strategic Initiatives

- Make prudent investments to improve system resiliency and reliability.
- Create a disciplined culture of accountability, continuous improvement, and risk mitigation.
- Improve and support our relationships with customers.
- Enhance our organizational decision-making processes to deliver more financially prudent and effective services.



2025/26

# Annual Business Plan



Submitted for approval to the Halifax Water Board  
on February 21, 2025.

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## Introduction

Halifax Water is committed to delivering sustainable, high-quality water services at the best value for our customers. As we develop the 2025/26 Annual Business Plan, we embark on the next stage of our journey through a 5-year Strategic Plan, (2025-2030) titled Halifax Water 2030. By prioritizing leadership, accountability, and operational resiliency, we will empower our people to enhance operational performance.

We recognize our significant role in fostering a healthy, growing, and prosperous community. To demonstrate value, we must earn our customers' confidence and trust through reliable service.

To help achieve this, Halifax Water's leadership has worked to ensure that long-term business strategy and annual business plan are closely aligned. This establishes that the organization's overall success is based on accountability and that the executive team is ultimately responsible.

Over the next five years, we will focus on fostering a culture of change to create an organization that is more engaged, resilient, and innovative. We will continuously work to improve how we utilize and manage our assets and our service to our customers. We will make deliberate decisions to increase overall accountability and operational resiliency.

We can achieve greater reliability by embracing best practices that clearly define the relationships between infrastructure needs, investment requirements, financial prudence, and regulatory obligations. We will instill operational resiliency to anticipate, prepare, respond to, and recover from potential disruptions and challenges facing the utility.

In fiscal 2025/26, Halifax Water will begin planning for the next Integrated Resource Plan (IRP). This long-term plan identifies the resources and programs needed to provide water and wastewater services to the Halifax Regional Municipality (HRM). Last updated in 2019, this document will be pivotal in guiding our long-term business planning process.

Once completed in fiscal 2027/28, the IRP will help transform the organization through a more interconnected planning process. This includes an ambitious capital infrastructure delivery program with major initiatives implemented over multiple years with plans, studies, and programs to support initiatives such as the Burnside Operations Centre, Water Supply Enhancement Program, Water Safety Plan, and Biosolids Facility Upgrade Project.

As Halifax Water continues to invest in people and infrastructure, we are currently operating in a financial deficit. Accordingly, we will file a General Rate Application with the Nova Scotia Utility and Review Board this year.

While the municipality continues to grow, increased service demands require adding more skilled individuals. We are committed to a diverse and inclusive environment that protects our employees' physical and psychological health and safety. As we start the next stage of this journey, Halifax Water will remain committed to serving the people of Halifax.

Kenda MacKenzie P. Eng  
General Manager and CEO  
Halifax Water



## Business Plan for Fiscal 2025/26

Halifax Water is an integrated water, wastewater, stormwater and district energy service utility that serves more than 111,000 customers in the Halifax Regional Municipality. This document outlines the utility's fiscal 2025/26 business plan, which officially begins on April 1, 2025.

For 2025/26, Halifax Water has developed a plan that addresses growth challenges, aging infrastructure, and customers' evolving requirements. This plan focuses on ensuring Halifax Water customers receive quality service and that the utility's employees are empowered and supported with the required resources.

### OUR PURPOSE

To supply and safeguard sustainable, high-quality water services.

### VISION

We will provide our customers with high-quality water, wastewater, and stormwater services. Through adoption of best practices, we will place the highest value on public health, customer service, fiscal responsibility, workplace safety and security, asset management, regulatory compliance, and stewardship of the environment. We will fully engage employees through teamwork, innovation, and professional development.

### VALUES

*Relationships* - We nurture relationships with our customers, our team members, and the environment. We are engaged in the neighbourhoods we serve, and we support continual learning across our team.

*Innovation* - We are among the top utilities across the continent and are known on the global stage. We always ask, "How can we improve efficiency, sustainability, creativity and the customer experience?"

*Accountability* - We refuse to cut corners. We check in with our excellence standards regularly and look to one another for support. Safety steers our decision-making. We are driven to make our policies, decisions, and projects as clear as our drinking water.

*Protection* - Halifax Water protects the health and well-being of our population. We exist to guard natural resources, finding ways to sustain our communities and environment.

## STRATEGIC INITIATIVES AND PROGRAMS 2025/26

### People

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Build a psychologically safe and engaged workplace culture that attracts, develops, and retains talent.</b>	<ul style="list-style-type: none"> <li>Launch the Psychological Health and Safety 3-year strategic plan by Q1.</li> <li>Renew the Diversity, Equity and Inclusion (DE&amp;I) plan by Q2.</li> <li>Develop a strategic recruitment and attraction plan by Q4.</li> <li>Conceptualize an enhanced training and development plan to explore the possibility of building a Halifax Water learning academy by Q4.</li> </ul>	Develop a comprehensive employee engagement roadmap highlighting employee contributions and creating a culture of belonging and respect. Continue to focus on expanding talent management strategies to enhance attraction and retention programs.	Enhanced engagement motivates employees to develop their careers within our psychologically safe and engaged workplace culture.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Implement an effective leadership framework that defines and guides all employees at Halifax Water</b>	<ul style="list-style-type: none"> <li>Develop and launch a Leadership Accountability framework by Q3.</li> <li>Create a communication and change plan to roll out leadership behaviours to the organization by Q3.</li> <li>Define leadership objectives and expectations by Q4.</li> </ul>	This will provide clarity and better alignment between the organization's purpose and goals and the day-to-day work of our employees. Regardless of your position, leadership is a mindset. Empowering and enabling our employees at all levels is crucial to growing and developing our people.	It develops increased trust across the organization, provides employees with stretch opportunities, and creates a consistent approach to leadership accountability.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Execute the talent management strategy through collaborative partnerships with organizational leaders.</b>	<ul style="list-style-type: none"> <li>• Launch a succession planning framework focused on critical roles and skills by Q2.</li> <li>• By Q3, fully integrate succession planning discussions into the business.</li> <li>• Consider high-potential talent pathways by Q3.</li> <li>• Launch a talent assessment process by Q3.</li> <li>• Incorporate an annual talent review process by Q4.</li> </ul>	To ensure Halifax Water has a strong pipeline of talent for the future, it is important to identify critical skills and roles and ensure a robust succession plan. Talent should be reviewed annually to ensure succession plans align with the success of the organization's current and future states.	Investing in the growth and development of employees is a critical component of attraction and retention.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Enhance the employee experience by improving touchpoints throughout an employee's career.</b>	<ul style="list-style-type: none"> <li>• Increase the annual Employee Survey participation rate by the end of Q4.</li> <li>• Establish an Employee Engagement Council to help develop accountability and empowerment within the organization, by the end of Q1.</li> <li>• Incorporate the Council's and employee feedback and recommendations into an action plan by the end of Q2.</li> </ul>	Employees have valuable perspectives and feedback, and we want to incorporate their insights into survey action planning, People and Culture processes, and career development conversations.	Fostering positive interactions at every stage, from talent acquisition to retirement, will improve engagement, retention, and overall performance.

## Environment, Health, Safety & Social Responsibility

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Strengthen our safety policies and procedures to ensure a safe working environment for all employees.</b>	<ul style="list-style-type: none"> <li>• Complete the review of the existing Occupational Health Safety Manual and develop a gap closure plan to meet regulatory and current practices by the end of Q3.</li> <li>• Complete Fire Safety Plans for all Halifax Water facilities by the end of Q4</li> <li>• Develop a framework for the Halifax Water Security Plan by the end of Q4.</li> <li>• Complete and operationalize the first iteration of a comprehensive organizational electrical safety program by the end of Q4.</li> <li>• Improve the quality of incident reporting, investigation, root cause analysis, corrective/preventive action process, and verifications/closure process by the end of Q4.</li> <li>• Develop an action plan to reduce at-fault motor vehicle accidents by the end of Q3.</li> </ul>	By prioritizing safety education and awareness, Halifax Water will foster a workplace environment where employees feel valued and secure. This can increase job satisfaction and morale while reducing the risk of accidents and injuries. This will help enhance Halifax Water's reputation, building trust and credibility with customers, regulatory bodies, and the community. It also demonstrates Halifax Water's dedication to protecting its workforce and supports its long-term sustainability and success by ensuring safe and efficient operation.	Empowering employees with the knowledge and skills to identify and mitigate hazards can help reduce the risk of accidents and injuries. At the same time, standardized safety processes ensure consistent compliance with regulations and best practices.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Implement an emergency management program that ensures business continuity to safeguard water supply, public health and the environment.</b>	<ul style="list-style-type: none"> <li>By the end of Q4, complete a three-phase emergency management project to include:               <ol style="list-style-type: none"> <li>Benchmarking the current state of Halifax Water's emergency management program compared to best practices.</li> <li>Develop a strategic plan for the Comprehensive Emergency Management Program.</li> <li>Formalize an action plan for the emergency management program to meet Emergency Management Accreditation Program requirements.</li> </ol> </li> <li>Establish training and emergency response exercise plan by the end of Q4.</li> </ul>	<p>Water utilities are responsible for critical infrastructure, and any disruption can severely affect public health, safety, and economic stability. Additionally, with a well-developed emergency management program, Halifax Water can proactively identify potential risks, such as natural disasters, cyber-attacks, and equipment failures, implement mitigation strategies to minimize their impact, and respond accordingly.</p>	<p>It promotes preparedness through communication, collaboration, and coordination among local government agencies, emergency responders, and the community, allowing those involved to act quickly and efficiently in an emergency.</p> <p>Identifying and addressing gaps creates a more robust emergency management program that can safeguard public health, protect the environment, and maintain the utility's reputation and operational integrity.</p> <p>This approach helps protect assets, maintains regulatory compliance, and fosters public trust and confidence in Halifax Water's ability to respond effectively to emergencies.</p>

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Launch sustainability programs that recognize climate impacts and address the long-term viability of water resources, infrastructure, and environmental impacts.</b>	<ul style="list-style-type: none"> <li>Develop an action plan for determining the safe yield for all surface water supplies in support of the Integrated Resource Plan and for future water withdrawal approval requirements by the end of Q4.</li> </ul>	Ensuring that safe yields for all water supplies are well understood is critical to planning for growth and ensuring the sustainability of water supplies.	A more up-to-date understanding of the water availability of current supplies will ensure proper decision-making for long-term planning.
	<ul style="list-style-type: none"> <li>Building on existing methodologies, develop a multi-year strategy to reduce the amount of water produced but not billed (water loss) by the end of Q4.</li> </ul>	Halifax Water has practiced water loss control approaches for over twenty years. As the impact of water loss methods has plateaued, additional initiatives to reduce water losses are required.	Customers will ultimately benefit from reducing the amount of water produced at the treatment plants, protecting water resources, and reducing energy consumption.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Increase customer compliance through education and enforcement of the appropriate use of water, wastewater and stormwater systems.</b>	<ul style="list-style-type: none"> <li>Review programs for opportunities to increase customer education and awareness by the end of Q4.</li> <li>Conduct engagement with interested parties specific to the proposed New Service Account Compliance Program by the end of Q4.</li> <li>Define the scope and requirements for software tools to support customer compliance with pollution prevention programs by the end of Q4.</li> <li>Complete scan of customer programs of other utilities to reduce private side inflow and infiltration (I&amp;I) by the end of Q4.</li> </ul>	Proactive education and awareness programs promote more efficient water use, proper disposal practices, and effective stormwater management.	It helps prevent overuse, strain on the systems, and contamination risks, ensures consistent and effective wastewater treatment, and provides proper stormwater control. Informing customers about compliance with regulations and mandates fosters a community-wide commitment to sustainable water system management.

## Financial & Regulatory Compliance

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Deliver the next Integrated Resource Plan (IRP) that will inform the organization's next five-year strategy, future annual plans, and long-term financial framework for operating and capital requirements.</b>	<ul style="list-style-type: none"> <li>Obtain regulatory approval and launch the IRP update project to the organization by the end of Q1.</li> <li>Develop engagement and communications plans, including identification of feedback and engagement sessions with staff (to be delivered over the life of the project) by the end of Q2.</li> <li>Work with the HRM to confirm population projections by the end of Q3.</li> </ul>	Fosters collaboration and support during the IRP Update and enables departments, teams, and individuals to be aligned in understanding growth within the systems and their respective roles in helping ensure resiliency through asset renewal, growth, and compliance.	<p>All Halifax Water employees will better understand the IRP, its significance to the organization's overall purpose, and how they, as individuals, can contribute to its success.</p> <p>Population projections will form the basis of the growth requirements within the IRP update.</p> <p>Halifax Water will be better positioned to meet current and future service demands while maintaining a focus on compliance, asset renewal, and growth.</p>



5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Implement an enhanced project management framework to effectively plan and deliver projects.</b>	<ul style="list-style-type: none"> <li>Complete the first phase of the Engineering Processes Project (EPP) 's target state, focusing on financial reporting and scheduling, by the end of Q2.</li> </ul>	Developing and documenting best practices will help inform the further development of capital planning and project management tools, demonstrate the value of timely and accurate updates on project planning and delivery.	This will help improve the overall delivery of capital projects, increase staff engagement, and better understand the benefits of adopting best practices. Greater access to consistent reporting will also enable more informed decisions on future strategies for implementing the capital investment program.
	<ul style="list-style-type: none"> <li>Establish the level of organizational oversight for all capital projects by the end of Q4.</li> </ul>	It provides a clear structure for project planning, decision-making, and oversight with checkpoints for evaluating project viability, ensuring that only well-justified projects proceed.	It provides more consistency and transparency for decision-making within the capital investment program. Project teams will be more accountable for meeting specific milestones/stages through clear responsibility and ownership of outcomes.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Adopt more effective internal processes and tools to support regulatory oversight.</b>	<ul style="list-style-type: none"> <li>Identify internal regulatory process gaps by the end of Q3.</li> <li>Create a process framework for addressing identified regulatory gaps by the end of Q4.</li> </ul>	It provides clearer guidelines and reduces uncertainty in regulatory processes while enhancing compliance. Improving the consistency and quality of regulatory engagement allows for better identification and mitigation of risks associated with the regulatory process.	It creates a more effective regulatory process, with improved timelines and a more standardized method for training and educating staff. This enables greater accountability and understanding of roles and responsibilities through increased collaboration.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Adapt organizational processes to enhance financial management, accountability and corporate governance.</b>	<ul style="list-style-type: none"> <li>Establish the process to regularly update infrastructure projects in the long-term financial model by the end of Q1.</li> <li>Seek regulatory approval to establish rates that fund the operating and capital requirement by the end of Q1.</li> <li>Support Regional Development Charges application to fund the capital requirements for growth by the end of Q3.</li> <li>Outline the impact of rate increases and review options to make rates more affordable for lower-income customers by the end of Q2.</li> <li>Complete the energy center concept design and establish a plan for rate design for the District Energy System by the end of Q4.</li> </ul>	<p>An updated long-term financial model clearly indicates the impact on revenue requirements for changing infrastructure needs.</p> <p>As funding is required to deliver capital and operating plans, Halifax Water must determine the short—and long-term impact on customer rates.</p> <p>Halifax Water must establish rates to fund the costs of building and operating the new District Energy System.</p>	The rate structure that supports capital and operating budgets and the funding of long-term infrastructure growth is critical.
	<ul style="list-style-type: none"> <li>Identify key financial controls and confirm that all are operating effectively by the end of Q3.</li> <li>Work with Halifax Water Board to review corporate governance and oversight by the end of Q4.</li> </ul>	Additional oversight and the testing of internal controls are effective means of ensuring regulatory compliance and effective management.	Gaps will be identified, allowing for improved efficiency and effectiveness across the organization.

## Operational Effectiveness

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Make prudent investments to improve system resiliency and reliability.</b>	<ul style="list-style-type: none"> <li>Formalize an operational water supply resilience plan for the 5-to-10-year horizon by the end of Q4. This plan should include addressing near-term corrective measures that have been identified in accordance with timelines outlined in the Boil Water Advisory Reports.</li> <li>Develop a plan to address water quality, quantity and system redundancy within the distribution system by the end of Q4.</li> <li>Develop a project delivery strategy for the Water Supply Enhancement Program (WSEP) by the end of Q4. Seek approval for capital investment for the upgraded Biosolids Processing Facility by the end of Q4.</li> </ul>	Halifax Water's focus on reliable and resilient services is only possible through robust planning and prudent asset investment.	This allows for continuity of service through improved infrastructure reliability and the ability to promptly respond to and recover from incidents and challenges.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Create a disciplined culture of accountability, continuous improvement, and risk mitigation.</b>	<ul style="list-style-type: none"> <li>Establish an Integrated Management System (IMS) committee that will harmonize the structure and components of well-established management systems within Halifax Water and to create greater efficiencies and strengthen the utility's risk mitigation culture as other systems are added by the end of Q1.</li> <li>Develop an IMS roadmap by the end of Q4.</li> <li>Develop a structure that aligns all risks into a single register for the organization by the end of Q3.</li> </ul>	A disciplined and consistent IMS enhances Halifax Water's operational effectiveness and resilience. By fostering a culture of continuous improvement and risk mitigation, the utility aligns all employees with best practices, identifies inefficiencies, and mitigates potential threats.	Embedding risk management into Halifax Water's culture will encourage employee accountability and collaboration. It will help build trust in Halifax Water's ability to deliver reliable and safe water services, ensuring long-term sustainability and resilience for the organization and the communities it serves.

5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
Improve and support our relationships with customers.	<ul style="list-style-type: none"> <li>Implement new bill design and launch, including communication of changes and benefits to customers, by the end of Q2.</li> <li>Review options to promote the use of online services by the end of Q3.</li> <li>Estimate the net savings of increasing the number of customers using online services by the end of Q3.</li> </ul>	Enhancing information available through the Customer Connect Portal and a new bill design will provide a more integrated and cost-effective means of providing service to customers.	Online services are a more cost-effective means of providing services to customers. The Portal allows customers to access significantly more information about their accounts to help them manage their services. The new bill design is a more customer-focused format that aligns with the look and feel of the portal.
	<ul style="list-style-type: none"> <li>Map future process flow for stormwater inquiries and appeals, establish customer service levels, and develop a plan to implement efficiencies by the end of Q3.</li> <li>Implement a process to address the backlog of stormwater inquiries and appeals by the end of Q4.</li> <li>Final Draft of Integrated Stormwater Management with HRM Policies by the end of Q4.</li> <li></li> </ul>	Clearly defining and communicating levels of service and streamlining the processes for appeals and non-emergency drainage investigations will allow for more efficient resource use.	By addressing stormwater issues and improving customer service through an efficient and consistent response that meets a defined level of service, Halifax Water can meet customer expectations and build trust within the community. Improved processes will ensure accurate resource tracking so that Halifax Water ensures adequate cost recovery for services delivered.



5-year Strategic Initiatives	Annual Goals for 2025/26	Rationale	Impact
<b>Enhance our organizational decision-making processes to deliver more financially prudent and effective services.</b>	<ul style="list-style-type: none"> <li>Review and update strategy for document management by the end of Q4.</li> </ul>	Improved document management helps streamline processes and enhance organizational knowledge.	Reduced storage costs by digitizing documents and enhanced organizational knowledge and productivity through ease of access.
	<ul style="list-style-type: none"> <li>Review the existing data analytics program to ensure focus on key priorities by the end of Q2.</li> <li>Establish a clear go-forward strategy and implementation plan for data analytics by the end of Q3.</li> </ul>	An effective means of analyzing and using data provides information that can be used throughout the organization to support decisions and improve services.	Improves services and supports business decisions for a more efficient and cost-effective utility.
	<ul style="list-style-type: none"> <li>Complete a review of the existing operational structure (water, wastewater and stormwater) and prepare an options analysis and implementation plan by Q3.</li> <li>Begin implementing the plan by the end of Q4 in advance of the Burnside Operations Centre coming online.</li> </ul>	The upcoming amalgamation of four operations depots into the new Burnside Operations Centre presents an opportunity to review how operational services are provided.	Changing how we deliver services will lead to more effective operations and a positive work culture.
	<ul style="list-style-type: none"> <li>Develop a strategy to align with municipal development intensification and the mid to long-term impacts on infrastructure by the end of Q3.</li> </ul>	Alignment with municipal strategies helps identify internal ownership of specific development processes and improves engagement with interested parties.	More timely and informed support from HRM on development intensification helps Halifax Water identify future challenges to development intensification and the required infrastructure.

## BUDGET SUMMARY

### Capital Budget

Halifax Water's 2025/26 capital budget is at a total value of \$132,996,000 and detailed information on the capital budget is provided in Appendix B.

Halifax Water's 2019 IRP identifies a 30-year capital investment plan valued at \$2.7 billion (net present value – 2019 \$) and a requirement to achieve an average level of spend of \$135 million per year. In relation to the IRP, the capital budget program focuses on providing the required infrastructure for asset renewal, regulatory compliance, and growth.

The 2025/26 capital budget recognizes Halifax Water's significant challenge in increasing a capital budget from \$61.4 million ten years ago to an average annual IRP target of \$135 million and, in some years, exceeding \$135 million.

Preparation of the 2025/26 capital budget was founded on the recent re-alignment of the Engineering and Capital Infrastructure Department and initial steps in creating the capacity to deliver the IRP program. The Department realignment provides for improved planning for larger projects and improved project governance to ensure projects align fully with the utility's objectives throughout the project life cycle. Developing a budget based on our growing workforce and enhancing business process constraints will help improve our performance tracking to the capital budget targets. At the same time, delivering on our recommended annual IRP capital program target provides improved service sustainability and a reduced risk of service interruption.

The proposed capital budget for 2025/26 is a decrease from last year's budget of \$152,497,000 as several large strategic projects move closer to the construction stage.

The funding plan for the capital budget comprises the following funding sources; depreciation and debt, regional development charges, capital cost contributions and external funding such as Federal/Provincial infrastructure funding, HRM cost sharing and energy rebates.

2025/26 Capital Budget Funding Sources (in 000's)					
Funding Source	Water	Wastewater	Stormwater	District Energy	Totals
Debt and Depreciation	\$49,380	\$48,681	\$25,753	\$0	\$123,814
Regional Development Charges	\$3,062	\$2,486	\$0	\$0	\$5,548
External Funding	\$0	\$242	\$ 3,391	\$0	\$3,634
Capital Cost Contributions	\$0	\$0	\$0	\$0	\$0
<b>SUB-TOTAL</b>	<b>\$52,442</b>	<b>\$51,409</b>	<b>\$29,144</b>	<b>\$0</b>	<b>\$132,996</b>

## Operating Budget

The operating budget for 2025/26 shows a budgeted deficit of \$34.1 million. The budget reflects requirements to maintain current service levels, deliver projects already in progress or approved, and address any changing environmental or regulatory requirements.

### Operating Budget Summary

<b>Summarized Statement of Earnings</b>				
	<b>Budget 2024/25 '000</b>	<b>Budget 2025/26 '000</b>	<b>From 2024/25 Budget</b>	
			<b>\$ Change</b>	<b>% Change</b>
<b>Operating revenues</b>	<b>172,059</b>	<b>174,618</b>	2,559	1.49%
<b>Operating expenditures</b>	<b>150,835</b>	<b>169,005</b>	18,170	12.05%
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>21,224</b>	<b>5,613</b>	(15,612)	(278.16%)
<b>Financial and other revenues</b>				
Interest	511	468	(43)	(8.44%)
Other	615	617	2	0.41%
	<b>1,126</b>	<b>1,085</b>	(41)	(3.61%)
<b>Financial and other expenditures</b>				
Interest	128	323	195	152.23%
Interest on long term debt	9,375	12,291	2,916	31.10%
Repayment on long term debt	24,078	20,514	(3,564)	(14.80%)
Amortization of debt discount	245	279	34	13.87%
Dividend/grant in lieu of taxes	7,031	7,236	205	2.91%
Other	175	130	(45)	(25.68%)
	<b>41,033</b>	<b>40,773</b>	(260)	(0.63%)
<b>Loss for the year</b>	<b>\$ (18,683)</b>	<b>\$ (34,075)</b>	<b>\$ (15,393)</b>	<b>82.39%</b>

All three services (water, wastewater, and stormwater) are budgeting a deficit for 2025/26, and Halifax Water is in the final stages of preparing a rate application for rate increases to offset these deficits.

### Operating Budget Key Assumptions

Halifax Water's main revenue sources are derived from rate-regulated activities, with approximately 76% of water and wastewater revenues coming from consumption/discharge rates and to be updated 24% from base charges. The 2025/26 Operating Budget is based on regulated rates and charges approved by the NSUARB effective April 1, 2023. Base charges for both water and wastewater have remained unchanged since April 1, 2023. The water and wastewater consumption rate, stormwater non-residential per square meter, and residential properties rates per tier have not been increased in the operating budget. For 2025/26, a 2% increase in total consumption was used to budget revenue compared to a 0% increase in the prior year. New customer connections are estimated at 565 for both water and wastewater services based on historical trends.

Halifax's Consumer Price Index is currently at 2.7%. The increase in Halifax Water's operating costs is related to an increase of 33 new positions to support customer growth, regulatory requirements, capital delivery, and infrastructure. Increases in unionized salary rates were determined under a new collective agreement signed in 2024 with our two union locals and the non-union compensation will be based on our current non-union compensation policy.

Significant operations have increased in 2025/26. For energy and chemical costs, the budgeted increases are as follows:

<b>Electricity</b>	5.0%
<b>Furnace Oil</b>	15.0%
<b>Natural Gas</b>	5.0%
<b>Chemicals</b>	5.0%

The budgets for depreciation and non-operating expenses, such as debt servicing and the dividend/grant in lieu of taxes paid to HRM, are developed based on capital spending and additions to utility plants in service.

There has been considerable uncertainty related to the impact tariffs will have on the operating costs of Halifax Water. The current operating budget has not factored in any increases related to increases in tariffs. Halifax Water continues to monitor the situation very closely and is reviewing its contracts and origin of our purchases to determine the potential impact on our operating budget.

## PERFORMANCE MEASUREMENT

At the end of the 2025/26 fiscal year, Halifax Water's overall performance will be assessed against the Corporate Balanced Scorecard (CBS). Halifax Water has been utilizing a CBS to measure utility performance since 2001. The Halifax Water Board sets organizational indicators each year and reviews performance results. For 2025/26, these indicators will be revisited and presented to the Board for approval in March 2025.

As noted above, the CBS is currently under review. The following was used for fiscal 2024/2025.

People	Environment, Health, Safety and Social Responsibility
<ul style="list-style-type: none"> <li>• Customer satisfaction about water quality - Percentage from the annual customer survey.</li> <li>• Customer satisfaction with service - Percentage from the customer survey.</li> <li>• Number of arbitrations divided by total number of grievances.</li> <li>• Percentage of jobs filled with internal candidates.</li> <li>• Employee satisfaction survey result.</li> <li>• Average number of days of absenteeism.</li> </ul>	<ul style="list-style-type: none"> <li>• Average score on internal safety audits</li> <li>• NS Labour and Advanced Education compliance – Number of Incidents with written compliance orders.</li> <li>• Lost time accidents -Number of accidents resulting in lost time per 100 employees.</li> <li>• Safe driving - Number of traffic Accidents per 1,000,000 km driven (maximum of 5).</li> <li>• Training - Number of employees trained or re-certified before due date.</li> <li>• Percentage of completed safety talks.</li> <li>• Percentage of public health and environmental regulatory infractions resulting in summary offence tickets.</li> <li>• Percentage of WWTFs complying with NSE approval permits.</li> <li>• Number of ICI properties engagements by Pollution Prevention each year.</li> </ul>
Financial & Regulatory Compliance	Operational Efficiency
<ul style="list-style-type: none"> <li>• Operating expense/revenue ratio percentage (excluding depreciation).</li> <li>• Annual cost per customer connection – Water (excluding depreciation).</li> <li>• Annual cost per customer connection – Wastewater (excluding depreciation).</li> <li>• Capital budget expenditures - Percentage of budget spent by the end of the fiscal year.</li> <li>• Total capital spend in the fiscal year (in millions).</li> </ul>	<ul style="list-style-type: none"> <li>• Adherence with five objectives of the Water Safety Plan for all water systems - Percentage of sites achieving targets.</li> <li>• Bacteriological tests - Percentage free from Total Coliform.</li> <li>• Water service outages - Number of connection hours/1000 customers.</li> <li>• Wastewater service outages – Number of connection hours/1000 customers.</li> <li>• Average speed of answer – Percentage of calls answered within 20 seconds.</li> <li>• Response time for service connection permits – the percentage of formal</li> </ul>

	<p>responses provided from Halifax Water within 3 days or less.</p> <ul style="list-style-type: none"> <li>• Response time for subdivisions involving system extensions – the percentage of formal responses from Halifax Water provided within 4 weeks or less review.</li> <li>• Water leakage control – target leakage allowance of 160 litres/service connection/day</li> <li>• I&amp;I reduction - Number of inspections to identify private property discharge of stormwater into the wastewater system.</li> <li>• Peak flow reduction from wet weather management capital projects</li> <li>• Percentage of time GIS and Cityworks are available.</li> <li>• Energy management kwh/m3 reduction associated with capital projects.</li> <li>• Bio-solids residual handling - percentage of sludge meeting bio-solids concentration targets</li> </ul>
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## Appendix A: 2025/26 Capital Budget



### Capital Budget Summary by Program 2025/26

### Appendix A

Program Category	Program Sub Category	All \$ in 000s
		Program Costs
Corporate	Corporate - Asset Management	7,015
Corporate	Corporate - Equipment	300
Corporate	Corporate - Facility Projects	2,850
Corporate	Corporate - Fleet	5,608
Corporate	Corporate - Information & Technology	25,777
Corporate	TOTAL	41,550
Stormwater	Stormwater - Culverts/Ditches	7,925
Stormwater	Stormwater - Pipes	16,836
Stormwater	Stormwater - Structures	50
Stormwater	TOTAL	24,811
Wastewater	Wastewater - Collection System	13,211
Wastewater	Wastewater - Equipment	305
Wastewater	Wastewater - Force mains	550
Wastewater	Wastewater - Structures	7,227
Wastewater	Wastewater - Treatment Facility	9,755
Wastewater	Wastewater - Trunk Sewers	530
Wastewater	TOTAL	31,578
Water	Water - Distribution	14,749
Water	Water - Equipment	165
Water	Water - Land	125
Water	Water - Security	25
Water	Water - Structures	4,630
Water	Water - Transmission	6,977
Water	Water - Treatment Facilities	8,384
Water	TOTAL	35,055
	GRAND TOTAL	132,996

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Corporate - Asset Management			
Corporate - Asset Management	4.0000359	AMP Continuous Improvement	125
Corporate - Asset Management	4.0000163	Annual Asset Management Plan Update	20
Corporate - Asset Management	4.0000156	Asset Management Program Roadmap Update – Implementation	250
Corporate - Asset Management	2.0000043	Corporate Flow Monitoring Program	2,300
Corporate - Asset Management	4.0000308	Growth Servicing Strategy	75
Corporate - Asset Management	4.0000170	Integrated Resource Plan Update	1,970
Corporate - Asset Management	4.0000168	Model Enhancements	30
Corporate - Asset Management	4.0000358	Sewer Inspection Program Review - Target State	350
Corporate - Asset Management	2.0001074	SSO and CSO Management Program	760
Corporate - Asset Management	1.0000254	Storm Sewer Condition Assessment	305
Corporate - Asset Management	2.0000872	Wastewater Sewer Condition Assessment	705
Corporate - Asset Management	3.0000644	Water Efficiency Strategy	80
Corporate - Asset Management	4.0000318	Water Survey of Can Hydro Monitoring	45
Corporate - Asset Management	Total		7,015
Corporate - Equipment			
Corporate - Equipment	4.0000154	Customer Meters - New and Replacement	300
Corporate - Equipment	Total		300
Corporate - Facility Projects			
Corporate - Facility Projects	4.0000077	Building Capital Improvements	750
Corporate - Facility Projects	4.0000187	Burnside Operations Centre	1,900
Corporate - Facility Projects	4.0000009	Security Upgrade Program (water and wastewater)	200
Corporate - Facility Projects	Total		2,850
Corporate - Fleet			
Corporate - Fleet	4.0000315	Fleet Upgrade Program SW	778
Corporate - Fleet	4.0000007	Fleet Upgrade Program W	1,718
Corporate - Fleet	4.0000316	Fleet Upgrade Program WW	3,112
Corporate - Fleet	Total		5,608
Corporate - Information & Technology			
Corporate - Information & Technology	4.0000327	3rd party Risk Management Program	150
Corporate - Information & Technology	4.0000193	AMI Communications Upgrade	180
Corporate - Information & Technology	4.0000341	Architectural Service Delivery	200
Corporate - Information & Technology	4.0000336	Artificial Intelligence (Cyber Security)	330
Corporate - Information & Technology	4.0000365	Automated Equalized Overtime	500
Corporate - Information & Technology	4.0000269	Automated Test Tools	500
Corporate - Information & Technology	4.0000352	Automations & Integrations for Business Units	500
Corporate - Information & Technology	4.0000339	Booster Stations Operational Transition	500

Technology			
Corporate - Information & Technology	4.0000263	Business Continuity Management	350
Corporate - Information & Technology	4.0000295	CAD/BIM	150
Corporate - Information & Technology	4.0000356	Capital Delivery Upgrades – EPP	700
Corporate - Information & Technology	4.0000355	Capital Delivery Upgrades - I&T	500
Corporate - Information & Technology	4.0000354	Capital Planning Upgrades	250
Corporate - Information & Technology	4.0000347	Central Event Management	700
Corporate - Information & Technology	4.0000189	Central Spread Spectrum Radio Network Replacement Program	250
Corporate - Information & Technology	4.0000105	CMMS/GIS Upgrades	150
Corporate - Information & Technology	4.0000348	Consumption & Demand Management	500
Corporate - Information & Technology	4.0000319	Customer Calling Software Enhancements	200
Corporate - Information & Technology	4.0000322	Customer Portal Enhancements	200
Corporate - Information & Technology	4.0000337	Customer Workorder Tracking	600
Corporate - Information & Technology	4.0000324	Cyber Awareness Program Enhancements	410
Corporate - Information & Technology	4.0000326	Cyber Security Metrics	250
Corporate - Information & Technology	4.0000335	Cyber Security Roadmap	36
Corporate - Information & Technology	4.0000283	Digital Twin - Virtual Facility Tours	300
Corporate - Information & Technology	4.0000360	DR Enhancements	830
Corporate - Information & Technology	4.0000342	EA Collaboration Platform Rollout	350
Corporate - Information & Technology	4.0000343	EA Software Rollout	300
Corporate - Information & Technology	4.0000219	EE - Electrical Safety Program	500
Corporate - Information & Technology	4.0000218	EE- ITSM Process	250
Corporate - Information & Technology	4.0000261	Electrical Planned Maintenance Program	800
Corporate - Information & Technology	4.0000297	Emergency Management Office	50
Corporate - Information & Technology	4.0000228	Enterprise Architecture	450
Corporate - Information & Technology	4.0000262	Enterprise Risk Management	300
Corporate - Information & Technology	4.0000206	ERP Upgrades	200

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Corporate - Information & Technology	4.0000338	Gas Monitor Review	500
Corporate - Information & Technology	4.0000255	General IT System Upgrades	500
Corporate - Information & Technology	4.0000353	Generative AI	500
Corporate - Information & Technology	4.0000040	GIS Data Program	250
Corporate - Information & Technology	4.0000340	GIS Schema Changes	100
Corporate - Information & Technology	4.0000363	Information Services R&D	300
Corporate - Information & Technology	4.0000323	IR Enhancements	200
Corporate - Information & Technology	4.0000284	IS Equipment Replacement	800
Corporate - Information & Technology	4.0000349	Linear Asset Management	500
Corporate - Information & Technology	4.0000331	MSSP Enhancements	375
Corporate - Information & Technology	4.0000361	NAC Enhancements	375
Corporate - Information & Technology	4.0000332	Network Enhancements	630
Corporate - Information & Technology	4.0000012	Network Upgrades	400
Corporate - Information & Technology	4.0000334	OnDemand Assessment	75
Corporate - Information & Technology	4.0000330	OT DR Enhancements	340
Corporate - Information & Technology	4.0000321	OT Enhancements	575
Corporate - Information & Technology	4.0000328	OT Network Enhancements	300
Corporate - Information & Technology	4.0000333	OT Server Replacement	175
Corporate - Information & Technology	4.0000320	OT Standards & Specifications	300
Corporate - Information & Technology	4.0000288	PASS Project	500
Corporate - Information & Technology	4.0000192	PI System Enhancements	250
Corporate - Information & Technology	4.0000357	PMO Strategy & Transformation	700
Corporate - Information & Technology	4.0000309	Pollution Prevention Inspection	300

Technology			
Corporate - Information & Technology	4.0000351	Power BI Reports	500
Corporate - Information & Technology	4.0000310	Property Management	400
Corporate - Information & Technology	4.0000362	Record Drawings for Closed Work Orders 25/26	50
Corporate - Information & Technology	4.0000364	Records Management Project	600
Corporate - Information & Technology	4.0000306	SCADA Alarm Management	150
Corporate - Information & Technology	4.0000350	Scaling Data Governance	500
Corporate - Information & Technology	4.0000345	Service Delivery Efficiency	250
Corporate - Information & Technology	4.0000010	Service Gap Project	150
Corporate - Information & Technology	4.0000155	Stormwater Billing Imagery Acquisition and Analysis	150
Corporate - Information & Technology	4.0000232	Strategic Planning Business Cases	350
Corporate - Information & Technology	4.0000344	Technical Knowledge Hub	300
Corporate - Information & Technology	4.0000311	Technical Services Capital Tools	80
Corporate - Information & Technology	4.0000346	Technology Change Management	250
Corporate - Information & Technology	4.0000329	TRA Remediation	350
Corporate - Information & Technology	4.0000239	TS Work Tracking	50
Corporate - Information & Technology	4.0000325	TUM	266
<b>Corporate - Information &amp; Technology</b>	<b>Total</b>		<b>25,777</b>
<b>TOTAL</b>			<b>41,550</b>

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Stormwater - Culverts/Ditches			
Stormwater - Culverts/Ditches	1.0000351	Cole Harbour Road @ Bissett Run Culvert Replacement	100
Stormwater - Culverts/Ditches	1.0000279	Cross Culvert Replacement Program - Field Investigation & Operations Replacements	100
Stormwater - Culverts/Ditches	1.0000288	Cross Road Culvert Replacement Program - Engineering Design	100
Stormwater - Culverts/Ditches	1.0000348	Culvert Replacement - 1 Fergusons Cove Road	25
Stormwater - Culverts/Ditches	1.0000344	Culvert Replacement - 109 Fergusons Cove Road	25
Stormwater - Culverts/Ditches	1.0000347	Culvert Replacement - 1165 Purcells Cove Road	25
Stormwater - Culverts/Ditches	1.0000339	Culvert Replacement - 1302 Waverley Road	75
Stormwater - Culverts/Ditches	1.0000338	Culvert Replacement - 1322 Waverley Road	75
Stormwater - Culverts/Ditches	1.0000343	Culvert Replacement - 139 Fergusons Cove Road	370
Stormwater - Culverts/Ditches	1.0000327	Culvert Replacement - 15 Village Crescent	537
Stormwater - Culverts/Ditches	1.0000326	Culvert Replacement - 154 Kaye Street	572
Stormwater - Culverts/Ditches	1.0000336	Culvert Replacement - 179 Thomas Street	25
Stormwater - Culverts/Ditches	1.0000324	Culvert Replacement - 2120 Hammonds Plains Road	50
Stormwater - Culverts/Ditches	1.0000337	Culvert Replacement - 215 Thomas Street	25
Stormwater - Culverts/Ditches	1.0000340	Culvert Replacement - 2405 Lawrencetown Road	35
Stormwater - Culverts/Ditches	1.0000335	Culvert Replacement - 2884 Lawrencetown Road	188
Stormwater - Culverts/Ditches	1.0000329	Culvert Replacement - 29 Carlheath Drive	75
Stormwater - Culverts/Ditches	1.0000341	Culvert Replacement - 34 Kent Drive	226
Stormwater - Culverts/Ditches	1.0000330	Culvert Replacement - 4132 Highway #2	626
Stormwater - Culverts/Ditches	1.0000328	Culvert Replacement - 519 Old Sackville Road	584
Stormwater - Culverts/Ditches	1.0000345	Culvert Replacement - 6 Iris Avenue	50
Stormwater - Culverts/Ditches	1.0000346	Culvert Replacement - 61 Pinetree Crescent	25
Stormwater - Culverts/Ditches	1.0000332	Culvert Replacement - 71 Concord Avenue	540
Stormwater - Culverts/Ditches	1.0000331	Culvert Replacement - 76 Richardson Drive	540
Stormwater - Culverts/Ditches	1.0000333	Culvert Replacement - Glendale Drive @ Metropolitan Avenue	100
Stormwater - Culverts/Ditches	1.0000334	Culvert Replacement - Glendale Drive @ Raymond Drive	109
Stormwater - Culverts/Ditches	1.0000313	Culvert Replacement - Highway 2, near Civic 2774	317
Stormwater - Culverts/Ditches	1.0000325	Culvert Replacement - Miller Lake Road @ Highway #2	356
Stormwater - Culverts/Ditches	1.0000104	Driveway Culvert Replacement Program	2,000
Stormwater - Culverts/Ditches	1.0000342	Hammonds Plains Road (Stillwater Lake area)	50
Stormwater - Culverts/Ditches	Total		7,925
Stormwater - Pipes			
Stormwater - Pipes	1.0000355	Catchbasin Leads Replacement Program	150
Stormwater - Pipes	1.0000103	Catchbasin Renewals SW Program	60
Stormwater - Pipes	1.0000350	Farrell Street Storm Sewer Replacement	2,500



Stormwater - Pipes	1.0000038	Integrated Stormwater Projects - Program	1,000
Stormwater - Pipes	1.0000135	Lateral Replacements SW Program	18
Stormwater - Pipes	1.0000102	Manhole Renewals SW Program	20
Stormwater - Pipes	1.0000322	Moore Road Stormwater Renewal	50
Stormwater - Pipes	1.0000352	Oathill Lake Outfall Pipe Structural Lining	250
Stormwater - Pipes	1.0000034	Raymond Street / Lakecrest Drive - Storm Sewer Replacement	1,847
Stormwater - Pipes	1.0000354	Sullivan's Pond Storm Sewer System Replacement - Phase 2 Part 1 - Irishtown Rd to Harbour (Additional Funding)	2,262
Stormwater - Pipes	1.0000145	Sullivan's Pond Storm Sewer System Replacement - Phase 2 Part 2 - Irishtown Rd to Harbour	6,056
Stormwater - Pipes	1.0000321	Tobin Run Stormwater Renewal	1,026
Stormwater - Pipes	1.0000349	Windsor Street Exchange Redevelopment - Stormwater Infrastructure - Construction	1,000
Stormwater - Pipes	2.0001133	Windsor Street Exchange Redevelopment - Stormwater Infrastructure - Design	597
<b>Stormwater - Pipes</b>	<b>Total</b>		<b>16,836</b>
<b>Stormwater - Structures</b>			
Stormwater - Structures	1.0000353	Flood List Access Improvements	50
<b>Stormwater - Structures</b>	<b>Total</b>		<b>50</b>
<b>TOTAL</b>			<b>24,811</b>

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Wastewater - Collection System			
Wastewater - Collection System	2.0001196	Bedford RDII Reduction Program FMZ02 & 03	50
Wastewater - Collection System	2.0000835	Canal Street Separation	531
Wastewater - Collection System	2.0001198	Cole Harbour RDII Reduction Program	50
Wastewater - Collection System	2.0000834	Ellenvale Area RDII Reduction Program FMZ27	100
Wastewater - Collection System	2.0001195	Fairview, Clayton Park and Bridgeview RDII Reduction Program	50
Wastewater - Collection System	2.0001028	Herring Cove Road Wastewater Stormwater Renewal - HRM Integrated Project	100
Wastewater - Collection System	2.0000052	Integrated Wastewater Projects - Program	1,600
Wastewater - Collection System	2.0000358	Lateral Replacements WW (non-tree roots)	1,350
Wastewater - Collection System	2.0000563	Lateral Replacements WW (tree roots)	450
Wastewater - Collection System	2.0000357	Manhole Renewals WW	60
Wastewater - Collection System	2.0000852	Maynard Lake and Clement Street Wetland Separation	250
Wastewater - Collection System	2.0000833	Mill Cove RDII Reduction Program FMZ10 - Bedford Common	50
Wastewater - Collection System	2.0001141	Park Avenue CSO Sewer Separation	100
Wastewater - Collection System	2.0001200	Private I&I Program Incentives	40
Wastewater - Collection System	2.0001071	Raymond Street / Lakecrest Drive - Sanitary Sewer Replacement	469
Wastewater - Collection System	2.0001073	Spring Garden Road Sewer Separation Pocket	250
Wastewater - Collection System	2.0001036	Wastewater Reservicing - Hollis Street	50
Wastewater - Collection System	2.0000168	Wastewater System - Trenchless Rehabilitation Program	4,000
Wastewater - Collection System	2.0000223	Wet Weather Management Program	400
Wastewater - Collection System	2.0001130	Windmill Road Functional Study	250
Wastewater - Collection System	2.0001182	Windsor Street Exchange Redevelopment - Wastewater Infrastructure - Construction	1,000
Wastewater - Collection System	2.0000905	Windsor Street Exchange Redevelopment - Wastewater Infrastructure - Design	411
Wastewater - Collection System	2.0001197	Woodside RDII Reduction Program	50
Wastewater - Collection System	2.0000837	Wyse Road Separation Phase 2	200
Wastewater - Collection System	2.0000836	Wyse Road Sewer Separation	300
Wastewater - Collection System	2.0001137	Young Avenue CN Bridge - Sewer Replacement	50
Wastewater - Collection System	2.0000982	Young Street Pocket - Sewer Separation - Route to Harbour	1,000
Wastewater - Collection System	Total		13,211
Wastewater - Equipment			
Wastewater - Equipment	2.0001038	FOG software	50
Wastewater - Equipment	2.0000161	I&I Reduction Program Flow Meters and Related Equipment	30

Wastewater - Equipment	2.0000451	Miscellaneous Equipment Replacement	120
Wastewater - Equipment	2.0001029	Wet Well Wizard	105
<b>Wastewater - Equipment</b>	<b>Total</b>		<b>305</b>
<b>Wastewater - Forcemains</b>			
Wastewater - Forcemains	2.0001189	Bluewater Road PS Elimination	50
Wastewater - Forcemains	2.0001117	Eastern Passage Gravity Pressure Sewer - Cleanout Manhole Replacement	500
<b>Wastewater - Forcemains</b>	<b>Total</b>		<b>550</b>
<b>Wastewater - Structures</b>			
Wastewater - Structures	2.0001199	Duffus Street PS - Pump Hoist System Upgrades	100
Wastewater - Structures	2.0001030	Duffus Street Pumping Station - Mechanical & Electrical Upgrades	1,200
Wastewater - Structures	2.0000420	Emergency Pumping Station Pump Replacements	650
Wastewater - Structures	2.0001132	Fairfield Holding Tank Capacity Assessment	150
Wastewater - Structures	2.0001032	Pier A Pumping Station - Mechanical Upgrades	3,100
Wastewater - Structures	2.0001135	PS Control Panel / Electrical Replacement Program	300
Wastewater - Structures	2.0001194	Pump Station Hatch Replacements	150
Wastewater - Structures	2.0001122	Quigley's Corner PS Relocation	252
Wastewater - Structures	2.0001136	Sackville Street Tangent Drop Repair	750
Wastewater - Structures	2.0001119	South East Passage PS Upgrade	300
Wastewater - Structures	2.0000444	Wastewater Pumping Station Component Replacement Program - Central Region	275
<b>Wastewater - Structures</b>	<b>Total</b>		<b>7,227</b>
<b>Wastewater - Treatment Facility</b>			
Wastewater - Treatment Facility	2.0001174	Aerotech WWTF - Centrifuge Pump Refurbishment	40
Wastewater - Treatment Facility	2.0001175	Aerotech WWTF - Heated Storage Area	100
Wastewater - Treatment Facility	2.0001103	Aerotech WWTF - Lagoon Cleaning and Rehabilitation	500
Wastewater - Treatment Facility	2.0001185	Biosolids Processing Facility - Biofilter Post-Replacement	70
Wastewater - Treatment Facility	2.0001184	Biosolids Processing Facility - Compressor Replacement	60
Wastewater - Treatment Facility	2.0000919	Biosolids Processing Facility - Gas Sensor Upgrade Program	15
Wastewater - Treatment Facility	2.0001186	Biosolids Processing Facility - Liner Replacement	70
Wastewater - Treatment Facility	2.0001183	Biosolids Processing Facility - Live bottom Bin #2 Floor Rebuild	50
Wastewater - Treatment Facility	2.0001187	Biosolids Processing Facility - Serpentix Track Rebuild	30
Wastewater - Treatment Facility	2.0001087	Dartmouth WWTF - Outfall Liner and Multiport Diffuser Repair	625
Wastewater - Treatment Facility	2.0000876	Dartmouth WWTF - Raw Water Pump Refurbishment Program	70
Wastewater - Treatment Facility	2.0001152	Dartmouth WWTF - Chemical Piping Replacement	100
Wastewater - Treatment Facility	2.0001150	Dartmouth WWTF - Gate Controller Comms Replacement	35

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Wastewater - Treatment Facility	2.0001151	Dartmouth WWTF - MCC Refurbishment	100
Wastewater - Treatment Facility	2.0001047	Dartmouth WWTF - OCS - Refurbishment - Canisters & Components	50
Wastewater - Treatment Facility	2.0001159	Eastern Passage WWTF - Aeration Tank pH Probes	35
Wastewater - Treatment Facility	2.0000666	Eastern Passage WWTF - Asset Renewal Program	225
Wastewater - Treatment Facility	2.0000907	Eastern Passage WWTF - Centrifuge Rebuild	60
Wastewater - Treatment Facility	2.0001162	Eastern Passage WWTF - Generator Transfer Switch Replacement Scoping	15
Wastewater - Treatment Facility	2.0001158	Eastern Passage WWTF - Polymer System Replacement	300
Wastewater - Treatment Facility	2.0001095	Eastern Passage WWTF - Primary Clarifier Refurbishment Program	80
Wastewater - Treatment Facility	2.0001163	Eastern Passage WWTF - Primary Pipe Gallery MAU Replacement	250
Wastewater - Treatment Facility	2.0001098	Eastern Passage WWTF - Pump Replacement Program	100
Wastewater - Treatment Facility	2.0001160	Eastern Passage WWTF - Spectrophotometer	15
Wastewater - Treatment Facility	2.0001161	Eastern Passage WWTF - UV Building Heat Recovery Unit Replacement	225
Wastewater - Treatment Facility	2.0000522	Emergency WWTF Equipment Replacements	650
Wastewater - Treatment Facility	2.0001179	Fall River WWTF - Influent pH Sensors	20
Wastewater - Treatment Facility	2.0001107	Fall River WWTF - Replace EQ Pumps	30
Wastewater - Treatment Facility	2.0001124	Frame WWTF - Access Road to Waverley Road	800
Wastewater - Treatment Facility	2.0001109	Frame WWTF - Generator with ATS	100
Wastewater - Treatment Facility	2.0001178	Frame WWTF - Process Building - Phase 1 Scoping	15
Wastewater - Treatment Facility	2.0001149	Halifax WWTF - Aerial Lift	25
Wastewater - Treatment Facility	2.0001147	Halifax WWTF - Densadeg Cover Replacement	75
Wastewater - Treatment Facility	2.0001191	Halifax WWTF - Dewatering Sludge Feed Pump Replacement	250
Wastewater - Treatment Facility	2.0001143	Halifax WWTF - Fire Alarm System Replacement	60
Wastewater - Treatment Facility	2.0001145	Halifax WWTF - Floor Regrade - Lower Level	50
Wastewater - Treatment Facility	2.0001123	Halifax WWTF - Main Isolation Gate Replacement	100
Wastewater - Treatment Facility	2.0001146	Halifax WWTF - Masonry Repairs - Lower Level	75
Wastewater - Treatment Facility	2.0001126	Halifax WWTF - Polymer System Upgrade	450
Wastewater - Treatment Facility	2.0000765	Halifax WWTF - Raw Water Pump Replacement	700
Wastewater - Treatment Facility	2.0001144	Halifax WWTF - Upper Floor Hoist Way Cover Replacement	70
Wastewater - Treatment Facility	2.0001148	Halifax WWTF - UV Area Access Door	50
Wastewater - Treatment Facility	2.0001155	Herring Cove WWTF - Compactor Access Platform	30
Wastewater - Treatment Facility	2.0001051	Herring Cove WWTF - Epoxy Coat Floor	15
Wastewater - Treatment Facility	2.0001156	Herring Cove WWTF - Generator Rebuild	50
Wastewater - Treatment Facility	2.0001153	Herring Cove WWTF - Grit System Refurbishment	50
Wastewater - Treatment Facility	2.0001157	Herring Cove WWTF - Phoneline and Comms	25

		Replacement	
Wastewater - Treatment Facility	2.0001154	Herring Cove WWTF - Waste Oil Storage/Boiler Replacement - Phase 1 Scoping	50
Wastewater - Treatment Facility	2.0001078	HHSP WWTFs - Raw Water Pump Variable Frequency Drive (VFDs)	130
Wastewater - Treatment Facility	2.0001142	HHSP WWTFs Control Room Upgrades	75
Wastewater - Treatment Facility	2.0001140	HHSP WWTFs Distributed Control System Upgrades	350
Wastewater - Treatment Facility	2.0001181	Middle Musquodoboit WWTF - Flow Meter	20
Wastewater - Treatment Facility	2.0001108	Middle Musquodoboit WWTF – Replace WWTF LS Control Panel and SCADA Panel	25
Wastewater - Treatment Facility	2.0000505	Mill Cove WWTF - Asset Renewal Program	125
Wastewater - Treatment Facility	2.0001111	North Preston WWTF - Replace Factory Talks with VTScada- Phase 1 Scoping	25
Wastewater - Treatment Facility	2.0001168	Timberlea WWTF - SCADA Critical Replacements	50
Wastewater - Treatment Facility	2.0001167	Timberlea WWTF - Alum Tank Refurbishment	25
Wastewater - Treatment Facility	2.0001165	Timberlea WWTF - Digester Refurbishment	100
Wastewater - Treatment Facility	2.0001173	Timberlea WWTF - Generator Capacity Review Phase 1 Scoping	25
Wastewater - Treatment Facility	2.0001171	Timberlea WWTF - Headworks Scrubber Replacement	50
Wastewater - Treatment Facility	2.0001172	Timberlea WWTF - Hoist Way & Lower Level Equipment Access	25
Wastewater - Treatment Facility	2.0001166	Timberlea WWTF - RBC Cover Replacement	120
Wastewater - Treatment Facility	2.0001169	Timberlea WWTF - Roadway Refurbishment	50
Wastewater - Treatment Facility	2.0001170	Timberlea WWTF - Roof Repairs	25
Wastewater - Treatment Facility	2.0001180	Uplands WWTF - Auto Fine Screen Distribution Arm Replacement	35
Wastewater - Treatment Facility	2.0000668	WWTF - Research Program Pilot Plant	250
Wastewater - Treatment Facility	2.0001139	WWTFs - Building Automation System (BAS) Software Upgrade	65
Wastewater - Treatment Facility	2.0001023	WWTFs - Critical Electrical Equipment Refurbishment Program	300
Wastewater - Treatment Facility	2.0001081	WWTFs - Critical Spare Parts Program	300
Wastewater - Treatment Facility	2.0000056	WWTFs - Plant Optimization Program	175
Wastewater - Treatment Facility	2.0001138	WWTF UV Disinfection System Refurbishment Program	450
<b>Wastewater - Treatment Facility</b>	<b>Total</b>		<b>9,755</b>
<b>Wastewater - Trunk Sewers</b>			
Wastewater - Trunk Sewers	2.0001131	Herring Cove Road Sewershed Infrastructure Study	530
<b>Wastewater - Trunk Sewers</b>	<b>Total</b>		<b>530</b>
<b>TOTAL</b>			<b>31,578</b>

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Water - Distribution			
Water - Distribution	3.0000068	~ Hydrants Renewals	75
Water - Distribution	3.0000069	~ Service Lines Renewals	75
Water - Distribution	3.0000067	~ Valves Renewals	425
Water - Distribution	3.0000294	Automated Flushing Program	75
Water - Distribution	3.0000772	Fire Flow Study	50
Water - Distribution	3.0000022	Integrated Water Projects - Program	8,000
Water - Distribution	3.0000390	Lead Service Line Replacement Program	2,300
Water - Distribution	3.0000688	Little Salmon River Bridge Watermain Replacement	140
Water - Distribution	3.0000782	Pressure Monitoring - Critical Locations	100
Water - Distribution	3.0000699	Raymond St / Lakecrest Drive Storm Sewer Replacement - Watermain	1,243
Water - Distribution	3.0000696	Tower Road CN Bridge - Watermain Replacement	290
Water - Distribution	3.0000787	Windsor Street Exchange Redevelopment - Water Infrastructure - Construction	1,000
Water - Distribution	3.0000704	Windsor Street Exchange Redevelopment - Water Infrastructure - Design	926
Water - Distribution	3.0000746	Young Avenue CN Bridge - Watermain Replacement	50
Water - Distribution	Total		14,749
Water - Equipment			
Water - Equipment	3.0000785	Central Valve Maintenance Trailer	85
Water - Equipment	3.0000101	Miscellaneous Equipment Replacement (Water)	60
Water - Equipment	3.0000738	Water Quality Lab Infrastructure	20
Water - Equipment	Total		165
Water - Land			
Water - Land	3.0000033	Watershed Land Acquisition	125
Water - Land	Total		125
Water - Security			
Water - Security	3.0000791	Middle Musquodoboit Reservoir Fence	25
Water - Security	Total		25
Water - Structures			
Water - Structures	3.0000589	Aerotech Booster Station Replacement	183
Water - Structures	3.0000623	Booster Station - Building Envelope - Capital Upgrade Program	30
Water - Structures	3.0000784	Bulk Fill Station Driveway Paving	25
Water - Structures	3.0000601	Control Chamber Valve Replacement Program	125
Water - Structures	3.0000774	Cowie Hill Booster Station - Pump replacement and upgrades	250
Water - Structures	3.0000263	District Metered Areas (DMA) Program	100
Water - Structures	3.0000705	Esson Road PRV Replacement	285
Water - Structures	3.0000789	Fall River Rechlorination Station	50
Water - Structures	3.0000779	Geizer 123 Dump Valve Chamber CSE Retrofit	280



Water - Structures	3.0000453	Geizer 123 Reservoir Rehabilitation	300
Water - Structures	3.0000606	Highway #7 Booster Station - Fire Pump Replacement	452
Water - Structures	3.0000762	Lake Major Dam - DFO Offsetting - Follow-Up Monitoring (2025)	30
Water - Structures	3.0000710	Lennox Drive PRV Chamber - CSE Retrofit and Upgrade	280
Water - Structures	3.0000580	Lyle Emergency Booster Station Upgrades	150
Water - Structures	3.0000379	New Aerotech Reservoir	200
Water - Structures	3.0000776	North Preston Booster Station Roof Replacement	40
Water - Structures	3.0000792	Park Avenue Depot - HVAC Upgrades	25
Water - Structures	3.0000651	Riverside Drive PRV Chamber Replacement	50
Water - Structures	3.0000698	Robie Control Chamber Upgrades	1,300
Water - Structures	3.0000454	Robie Street Reservoir Rehabilitation	300
Water - Structures	3.0000788	Rockmanor Booster Station Pump Replacement	150
Water - Structures	3.0000771	Water Chamber Laser Scanning	25
<b>Water - Structures</b>	<b>Total</b>		<b>4,630</b>
<b>Water - Transmission</b>			
Water - Transmission	3.0000703	Bedford Connector Realignment - Sandy Lake	150
Water - Transmission	3.0000042	Critical Valve Replacement Program	50
Water - Transmission	3.0000554	North End Feeder Replacement	2,000
Water - Transmission	3.0000553	Peninsula Intermediate Looping - Quinpool Road to Young St (Connaught-Chebucto 2025)	2,900
Water - Transmission	3.0000660	Peninsula Low North Transmission Main Replacement - Maritime Life and CN Crossing	150
Water - Transmission	3.0000775	Peninsula Low Transmission Main Replacement near Windsor & Young	100
Water - Transmission	3.0000436	Pockwock Transmission Main Twinning - WSP to Hammonds Plain Road	200
Water - Transmission	3.0000761	Port Wallace CCC Water Main Oversizing - Benefit to Existing	65
Water - Transmission	3.0000587	Prince Albert Road Transmission Main / PRV Replacement	752
Water - Transmission	3.0000752	Quinpool Road Transmission Main Upgrades - Quinn St to Beech Street (W6.1 and 6.2)	200
Water - Transmission	3.0000743	Spruce Hill Transmission Main Replacement	210
Water - Transmission	3.0000773	Windmill Road Transmission Main Upgrades	200
<b>Water - Transmission</b>	<b>Total</b>		<b>6,977</b>

Program Sub Category	Project Code	Project Name	All \$ in 000s
			Y1 2025/26
Water - Treatment Facilities			
Water - Treatment Facilities	3.0000489	Bennery Lake WSP - Manganese Removal Strategy	400
Water - Treatment Facilities	3.0000757	Bennery Lake WSP - Replace Process Residual Sludge Pumps	30
Water - Treatment Facilities	3.0000799	Collins Park Signs	60
Water - Treatment Facilities	3.0000680	JD Kline WSP - Lime System Renewal	260
Water - Treatment Facilities	3.0000610	JD Kline WSP - Low lift pump station - WSEP JDK-800.35	655
Water - Treatment Facilities	3.0000795	JD Kline WSP - New Dry Polymer System	200
Water - Treatment Facilities	3.0000796	JD Kline WSP - New Low Lift Generator	200
Water - Treatment Facilities	3.0000797	JD Kline WSP - New Plant Generator Installation	1,400
Water - Treatment Facilities	3.0000768	JD Kline WSP - Pumping Station - Raw Water Valve Actuators Replacement Phase 2 - Pipe 5 & 4	720
Water - Treatment Facilities	3.0000798	JD Kline WSP - Third Backwash Pump	1,200
Water - Treatment Facilities	3.0000621	Lake Major WSP - Filter upgrades - WSEP MAJ-800.45	734
Water - Treatment Facilities	3.0000781	Lemont Lake Dam Stabilization	100
Water - Treatment Facilities	3.0000764	Pilot Plant - Lake Major Water Supply Plant	950
Water - Treatment Facilities	4.0000366	Pilot Project for Ecological Maintenance Flow Determination	100
Water - Treatment Facilities	3.0000758	Pockwock Dam Replacement	500
Water - Treatment Facilities	3.0000691	Pump and Equipment Overhauls Program for WSPs	350
Water - Treatment Facilities	3.0000740	Receiving Environment Assessment - Bomont	25
Water - Treatment Facilities	3.0000731	Small Systems - Filter Column Replacement Program	20
Water - Treatment Facilities	3.0000754	Water Supply Plants Asset Renewal and Emergency Repairs	350
Water - Treatment Facilities	3.0000690	WSP Plants - Instrumentation and Controls Equipment Program	130
Water - Treatment Facilities	Total		8,384
TOTAL			35,055
	GRAND TOTAL		132,996

## Appendix B: 2025/26 Operating Budget

### HALIFAX WATER UNAUDITED STATEMENT OF EARNINGS - ALL SERVICES - NSUARB

	APR 1/24 MAR 31/25 BUDGET '000	APR 1/25 MAR 31/26 BUDGET '000
<b>Operating revenues</b>		
Water	\$ 54,832	\$ 56,210
Wastewater	89,330	90,770
Stormwater site generated service	8,864	8,865
Stormwater right of way service	6,515	6,515
Fire protection (public and private)	9,804	9,794
Other services and fees	1,551	1,340
Late payment and other connection fees	640	589
Miscellaneous	524	534
	<b>172,059</b>	<b>174,618</b>
<b>Operating expenditures</b>		
Water supply and treatment	13,662	16,146
Water transmission and distribution	14,066	16,910
Wastewater collection	14,344	15,530
Stormwater collection	5,819	6,969
Wastewater treatment	26,368	28,640
Engineering and technology services	17,757	5,813
Regulatory compliance services	5,922	5,360
Customer services	4,507	5,186
Corporate services	3,743	20,880
Administration services	10,240	7,647
Depreciation and amortization	34,406	39,924
	<b>150,835</b>	<b>169,005</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>21,224</b>	<b>5,613</b>
<b>Financial and other revenues</b>		
Interest	511	468
Other	615	617
	<b>1,126</b>	<b>1,085</b>
<b>Financial and other expenditures</b>		
Interest	128	323
Interest on long term debt	9,375	12,291
Repayment on long term debt	24,078	20,514
Amortization of debt discount	245	279
Dividend/grant in lieu of taxes	7,031	7,236
Other	175	130
	<b>41,033</b>	<b>40,773</b>
<b>Earnings (loss) for the year</b>	<b>\$ (18,683)</b>	<b>\$ (34,075)</b>

**HALIFAX WATER**  
**UNAUDITED STATEMENT OF EARNINGS - WATER - NSUARB**

	<b>APR 1/24 MAR 31/25 BUDGET '000</b>	<b>APR 1/25 MAR 31/26 BUDGET '000</b>
<b>Operating revenues - Water</b>		
Water	\$ 54,832	\$ 56,210
Public fire protection	8,083	8,083
Private fire protection	1,721	1,711
Bulk water stations	369	340
Late payment and other connection fees	205	202
Miscellaneous	269	234
	<b>65,480</b>	<b>66,781</b>
<b>Operating expenditures - Water</b>		
Water supply and treatment	13,662	16,146
Water transmission and distribution	14,066	16,910
Engineering and capital infrastructure services	6,410	2,017
Health, safety and Environment	1,647	1,576
Customer services	2,299	2,645
Corporate and technology services	1,909	10,236
Administration services	5,223	3,900
Depreciation and amortization	12,959	15,127
	<b>58,176</b>	<b>68,557</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>7,304</b>	<b>(1,776)</b>
<b>Financial and other revenues</b>		
Interest	372	295
Other	458	477
	<b>830</b>	<b>772</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	4,109	5,484
Repayment on long term debt	6,997	8,303
Amortization of debt discount	112	119
Dividend/grant in lieu of taxes	6,005	6,158
Other	130	115
	<b>17,353</b>	<b>20,179</b>
<b>Loss for the year</b>	<b>\$ (9,219)</b>	<b>\$ (21,183)</b>

**HALIFAX WATER**  
**UNAUDITED STATEMENT OF EARNINGS - WASTEWATER - NSUARB**

	APR 1/24 MAR 31/25 BUDGET '000	APR 1/25 MAR 31/26 BUDGET '000
<b>Operating revenues - Wastewater</b>		
Wastewater	\$ 89,330	90,770
Leachate and other contract revenue	507	323
Septage tipping fees	570	572
Overstrength surcharge	0	0
Airplane effluent	105	105
Late payment and other connection fees	253	207
Miscellaneous	187	232
	<b>90,952</b>	<b>92,210</b>
<b>Operating expenditures - Wastewater</b>		
Wastewater collection	14,344	15,530
Wastewater treatment	26,368	28,640
Engineering and technology services	9,337	2,823
Regulatory compliance services	1,889	1,763
Customer services	2,030	2,338
Corporate services	1,651	9,793
Administration services	4,516	3,372
Depreciation and amortization	18,396	20,850
	<b>78,530</b>	<b>85,110</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>12,422</b>	<b>7,099</b>
<b>Financial and other revenues</b>		
Interest	139	172
Other	157	140
	<b>296</b>	<b>313</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	4,122	5,287
Repayment on long term debt	14,587	9,942
Amortization of debt discount	104	126
Dividend/grant in lieu of taxes	844	898
Other	45	15
	<b>19,703</b>	<b>16,267</b>
<b>Earnings (loss) for the year</b>	<b>\$ (6,986)</b>	<b>\$ (8,855)</b>

**HALIFAX WATER**  
**UNAUDITED STATEMENT OF EARNINGS - STORMWATER - NSUARB**

	<b>APR 1/24 MAR 31/25 BUDGET '000</b>	<b>APR 1/25 MAR 31/26 BUDGET '000</b>
<b>Operating revenues - Stormwater</b>		
Stormwater site generated service	\$ 8,864	\$ 8,865
Stormwater right of way service	6,515	6,515
Late payment and other connection fees	181	180
Miscellaneous	67	67
	<b>15,627</b>	<b>15,627</b>
<b>Operating expenditures - Stormwater</b>		
Stormwater collection	5,819	6,969
Engineering and technology services	2,010	973
Regulatory compliance services	2,386	2,020
Customer services	179	203
Corporate services	183	851
Administration services	502	375
Depreciation and amortization	3,050	3,948
	<b>14,129</b>	<b>15,339</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>1,499</b>	<b>289</b>
<b>Financial and other expenditures</b>		
Interest	128	323
Interest on long term debt	1,144	1,520
Repayment on long term debt	2,493	2,269
Amortization of debt discount	28	34
Dividend/grant in lieu of taxes	182	180
	<b>3,976</b>	<b>4,327</b>
<b>Earnings (loss) for the year</b>	<b>\$ (2,478)</b>	<b>\$ (4,038)</b>

**HALIFAX WATER**  
**UNAUDITED STATEMENT OF EARNINGS - REGULATED AND UNREGULATED ACTIVITIES - NSUARB**

	APR 1/24 MAR 31/25 BUDGET '000	APR 1/25 MAR 31/26 BUDGET '000
<b>REGULATED ACTIVITIES</b>		
<b>Operating revenues</b>		
Water	\$ 54,832	\$ 56,210
Wastewater	89,330	90,770
Stormwater	15,379	15,381
Public fire protection	8,083	8,083
Private fire protection	1,721	1,711
Miscellaneous	1,532	1,463
	<b>170,878</b>	<b>173,618</b>
<b>Operating expenditures</b>		
Water supply and treatment	13,662	16,146
Water transmission and distribution	14,066	16,910
Wastewater collection	14,283	15,468
Stormwater collection	5,819	6,969
Wastewater treatment	25,571	27,725
Engineering and technology services	17,757	5,813
Regulatory compliance services	5,922	5,360
Customer services	4,467	5,146
Corporate services	3,730	20,867
Administration services	10,103	7,510
Depreciation and amortization	34,371	39,887
	<b>149,753</b>	<b>167,801</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>21,125</b>	<b>5,816</b>
<b>Financial and other revenues</b>		
Interest	511	468
Other	28	17
	<b>539</b>	<b>485</b>
<b>Financial and other expenditures</b>		
Interest	128	323
Interest on long term debt	9,375	12,291
Repayment on long term debt	24,078	20,514
Amortization of debt discount	245	279
Dividend/grant in lieu of taxes	7,031	7,236
	<b>40,858</b>	<b>40,643</b>
<b>Earnings (loss) for the year - Regulated</b>	<b>\$ (19,193)</b>	<b>\$ (34,341)</b>



**HALIFAX WATER**  
**UNAUDITED STATEMENT OF EARNINGS - REGULATED AND UNREGULATED ACTIVITIES - NSUARB**

	APR 1/24 MAR 31/25 BUDGET '000	APR 1/25 MAR 31/26 BUDGET '000
<b>UNREGULATED ACTIVITIES</b>		
<b>Operating revenues</b>		
Septage tipping fees	\$ 570	\$ 572
Leachate and other contract revenue	507	323
Airplane effluent	105	105
	<u>1,182</u>	<u>1,000</u>
<b>Operating expenditures</b>		
Water supply and treatment	0	0
Wastewater treatment	797	915
Wastewater collection	61	62
Sponsorships and donations	80	80
Corporate services	13	13
Administration services	97	97
Depreciation and amortization	34	37
	<u>1,083</u>	<u>1,204</u>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<u>99</u>	<u>(204)</u>
<b>Financial and other revenues</b>		
Other - leases and rentals	368	365
Other - energy projects	219	235
	<u>587</u>	<u>600</u>
<b>Financial and other expenditures</b>		
Other	175	130
	<u>175</u>	<u>130</u>
<b>Earnings for the year - Unregulated</b>	<u>\$ 511</u>	<u>\$ 266</u>
<b>Total earnings (loss) for the year (Regulated and Unregulated)</b>	<u>\$ (18,683)</u>	<u>\$ (34,075)</u>

## Appendix C: 2025/26 Business Plan on a Page

**Note:** This will be developed when after this plan is approved as finalized by the Halifax Water Board of Commissioners