

FREQUENTLY ASKED QUESTIONS:

Region of Queens Water Utility Rate Increase Application to Nova Scotia Regulatory and Appeals Board

At the June 24, 2025 Region of Queens Municipality's Regular Council meeting, Council approved a motion to submit an application to Nova Scotia Regulatory and Appeals Board (NSRAB) for an increase to water rates, to be implemented over three years. The proposed increases to rates for water utility users have the largest increases in the initial year, at an average increase of 106% per household. This will bring revenues in line with costs immediately. In the following years, the increase will be 3.8% in year two and 2.7% in year three. These increases are subject to the approval of the NSRAB.

READ BELOW FOR ANSWERS TO FREQUENTLY ASKED QUESTIONS THE REGION OF QUEENS WATER UTILITY HAS RECEIVED

Why is the Region of Queens Water Utility requesting a rate increase?

Region of Queens Water Utility is currently operating in a deficit position and will continue to do so until revenues are increased to compensate for increases in costs. Without the increase, the deficit will continue to grow, and the Water Utility will not have enough revenue to continue to operate.

Why was there a deficit, and why increase the rate now?

Over the last several years, the Region of Queens Water Utility has faced operational challenges with staffing and significant damage to sensitive and expensive equipment during a severe thunderstorm in July 2023. The Utility was required to fund the replacement cost of the destroyed instruments and equipment which were not covered by insurance, as well as a consultant to ensure regulatory compliance. These expenses contributed to the deficit. The current rates do not cover the cost of running and maintaining an aging Water Utility which includes areas with pipes that are over 100 years old.

Why is the increase in year one so large? Why can't it be spread out equally over the three years of the increase?

The NSRAB regulates the operation of all public water utilities in Nova Scotia and any changes to rates, charges or operating policies requiring Board approval. The Board also must approve any capital projects over \$250,000 before projects



Region of Queens Municipality

249 White Point Road,
P.O. Box 1264, Liverpool, NS,
BOT 1K0
regionofqueens.com

P: 902-354-5741
F: 902-354-7473
E: hcook@regionofqueens.com
Toll Free: 1-800-655-5741

may start. Under the regulations of NSRAB, the Utility must break even in the first year. The proposed increases in years two and three will ensure that future revenues cover budgeted costs.

How did the Region of Queens Water Utility calculate the increases?

Independent consultants were hired to prepare the rate study application to submit to the NSRAB. G.A. Eisnor Consulting Limited and Blaine S. Rooney Consulting Limited calculated the rates based on current consumption levels and estimated future operating expenses.

Does everyone in Queens County pay for the costs of operating the Water Utility and pay for water?

The NSRAB requires that only the customers of a Water Utility are responsible for paying the cost of operating it.

Region of Queens Water Utility is operated by the municipality, and services properties in both Liverpool and Brooklyn. This water system is operated as a stand-alone, independently funded water utility with users paying the full cost of its operation and services. These costs are not normally subsidized by the general tax rate.

What are the current rates? How much will the increase change an average bill?

Current Rate for a typical household service is: \$40.69 Base Charge per quarter, and \$1.28 per cubic meter for Consumption Charge. The average quarterly charge for a residential user is \$83. Sewage charges are also on quarterly water bills, and those fees are not part of the application for a rate increase.

The new rates proposed for Year 1 in the NSRAB application are \$76.11 Base Charge per quarter, and \$2.87 per cubic meter Consumption Charge.

For comparison purposes, if a typical household's quarterly water bill is \$83.00 during the first year, it will increase to \$170. In year two, the \$170 charge would increase to \$178, and in year three the bill would increase to \$182.

How will low income households be able to afford the increase in cost?

In anticipation of water rate increases, Region of Queens Municipality's Council included \$15,000 in the 2025 – 2026 Operational Budget to establish a subsidy program to provide financial support to low-income Utility customers. The subsidy program is currently being developed, and will be available when/if the increases take effect. It is expected that it will be several months before the NSRAB makes their decision on the water rate increase application.

What do other Municipalities with Water utilities pay for their water?

Historically, Region of Queens Water Utility has had one of the lowest rates for water in the province. In 17 years, water rates have risen once (in 2021), by approximately 15%, however, current rates are not covering the cost of producing potable, safe and reliable water for residential and commercial customers of the Water Utility.

The increases will bring the water rates in line with the rates of other Municipal water utilities. Water rates vary in other Municipalities, and are based on the treatment the source water requires to become safe for human consumption.

A sampling of average quarterly water rates (updated May 2025):

West Hants Regional Water Utility: \$168

Town of Bridgewater \$124

Mahone Bay \$234

Shelburne \$188

Is the water rate increase a certainty?

The decision to approve or decline the rates in the application rests with the NSRAB. Water utilities are required to be self sustaining with costs of operation and consumption of the water paid for by the users of the water. As the Utility is currently operating in a deficit, which will grow without an increase in water rates, it is anticipated that the application to increase rates will be approved by the NSRAB.

Will the customers of the utility get to speak to Council about this increase? How do I have a say in this increase?

Rate setting is a public process. There will be a rate hearing to provide an opportunity for public input regarding the proposed rates. This hearing will be scheduled and advertised by the NSRAB, and the Region will share this information on our website and social media channels. Members of the public must register to speak at the hearing, and registration details will be provided in the NSRAB notice.