



SAINT JOHN



2025 Utility Fund Operating Budget

November 18, 2024

Finance Committee Meeting

2025 Potable Utility Recap

- **No proposed increase** for flat rate customers or metered customers
- 2025 Flat Rate \$1,428 per year (7th straight year)
- Meter Revenue increase year over year of 23.25%
- Saint John Water will be supplying large industrial customer significant amount of potable water for approximately the next 5 years.
- Additional increase due to a Mobile Home Park transitioning from Flat Rate to Meter Customer (Approx 257 customer accounts moved from flat rate to one meter account)





SAINT JOHN



2025 East & West Saint John Industrial Water Rates

Finance Committee Meeting

November 18, 2024

Background Industrial Water Rates



Full separation of the potable and industrial water supply was achieved with the completion of the Safe, Clean Drinking Water Project.

Background Industrial Water Rates

In 2019 Hemson Consulting Ltd. completed a raw water rate analysis for:

1. Irving Oil Ltd. & Irving Paper on the **East Saint John Industrial Water System**
2. Irving Pulp & Paper and the NB Power Generating Station (Coleson Cove) on the **West Saint John Industrial Water System**

Background Industrial Water Rates

Industrial raw water rates are set by Common Council via by-law for each of the following:

1. East Industrial Raw Water Rate specific to Irving Oil Ltd.
2. East Industrial Raw Water Rate specific to Irving Paper
3. West Industrial Raw Water Rate specific to Irving Pulp & Paper
4. West Industrial Raw Water Rate specific to NB Power

Background Industrial Water Rates

Since 2020 all industrial raw water customers have been billed the full cost of delivering raw water via by-law rates set by Common Council.

By-law rates are updated annually through Common Council.

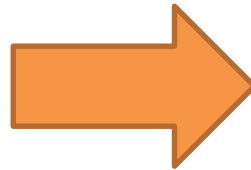
Industrial Raw Water By-law rates include the following:

1. Operational Cost to provide the service,
2. Contributions to asset replacement/asset management,
3. Rate stabilization reserves,
4. New debt associated with the industrial system delivering the service, and
5. Previous debt associated with being a member of the water distribution system.

Calculated Rates for 2025 compared to 2024 Rates East Industrial System

Irving Oil Ltd.

Current 2024 raw water by-law
rate \$0.2974/m³



Calculated 2025 raw water by-law
rate \$0.2530/m³

Irving Paper (Flume)

Current 2024 raw water by-law
rate \$0.0947/m³

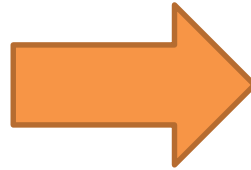


Calculated 2025 raw water by-law
rate \$0.1074/m³

Calculated Rates for 2025 compared to 2024 Rates West Industrial System

Irving Pulp & Paper

Current 2024 raw water by-law
rate \$0.0835/m³



Calculated 2025 raw water by-law
rate \$0.0904/m³

NB Power (Coleson Cove)

Current 2024 raw water by-law
rate \$0.9526/m³



Calculated 2025 raw water by-law
rate \$0.5143/m³

2025 Utility Fund Budget Recommendation



Recommendation

“Finance Committee approve the proposed 2025 Utility Fund Operating Budget and forward to the next meeting of Common Council for approval and first and second reading of the Water and Sewerage Bylaw amendments”

