

2025 Water Utility Rates Frequently Asked Questions

May 2025



What is the purpose of the Water Utility? What do water rates it pay for?

The Water Utility rate is established by Bylaw to pay for all the operating and capital costs to distribute drinking water to the habitants of Saanich and to support fire fighting capabilities in an emergency. The operating costs include the purchase of bulk water from the Capital Regional District who are responsible for sourcing and treating the raw water to meet the necessary quality standards for human consumption.

When and how do rates change?

Every year, staff project expenses for service delivery in the upcoming year and estimate the revenue requirements. A report is then brought before Council in late November or early December outlining the need for a rate adjustment and providing the new proposed rates. If Council is satisfied, the new rates are adopted and put into a Bylaw to permit them to be applied to the utility bills effective January 1st.

What makes up the utility rate?

The utility rate consists of two components: a **flat rate** and a **consumption rate**. The flat rate is determined based on the size of water service connection that supplies water to the building; while the consumption rate represents the actual water usage.

How is my bill calculated? How frequently will I receive a bill?

The utility bill is calculated by summing:

$$\begin{aligned} & \text{Monthly Flat Rate} \times \text{No. of Months in Billing Period} \\ & + \\ & \text{Consumption Rate} \times \text{Amount Consumed in Billing Period} \end{aligned}$$

The utility billing period is typically every **4** months (tri-annually).

DATE	METER NO.	NO. OF DAYS	CURRENT READING	PREV READING	CONSUMPTION	AMOUNT
May 1, 2025	A- [REDACTED]	119	2063	1952	111 CUBIC METRES	
May 6, 2025	MONTHLY WATER CHARGE 12.5 MM					30.60
May 6, 2025	REGULAR WATER RATE (A)					234.43
May 6, 2025	SEWER FIXED CHARGE					44.16
May 6, 2025	SEWER USAGE RATE (A)					152.86
May 6, 2025	CRD SEWER TREATMENT CHARGE (A)					193.47

AMOUNT NOW DUE: 655.52

What are the new water utility rates for 2025?

All water consumption rates remain the same as established for 2024. For regular service connections this is \$2.112 per cubic meter of water consumed.

The monthly flat rate charge for water connections has changed to:

Water Service Size (mm)	2024 Monthly Flat Rate (\$)	2025 Monthly Flat Rate (\$)	Net Monthly Increase (\$)
12.5	2.80	7.65	4.85
19	3.75	10.24	6.49
25	6.95	18.98	12.03
37	13.40	36.60	23.20
50	21.40	58.44	37.04
75	40.00	109.23	69.23
100	66.70	182.15	115.45
150	133.00	363.19	230.19
200	213.00	581.65	368.65
250	335.00	914.80	579.80

What is the average increase I should expect to see on my Water Utility bill this year?

Most Saanich water service connections are either 12.5 millimeters (mm) or 19mm in diameter, yielding a typical annual increase from the flat rate of **\$58.20 - \$77.80** per household. Assuming your 2025 water consumption levels remain similar to 2024, the only increase to the utility bill would be for the flat rate increases.

Why did my bill go up?

Water revenue requirements are projected to be more than \$31 million for 2025. This is an increase of over \$2.8 million from 2024 requiring more revenue to pay for the service provision. The factors contributing to the increase in costs include:

39% of the rate increase is due to CRD's increase in the cost of water sold to Saanich.

- higher construction costs and additional capital funding for asset replacement based on the *Infrastructure Replacement Funding Strategy* (approved by Council January 29, 2024).
- increases to operating costs such as non-discretionary increases to labour contracts and inflationary costs on equipment/material supply, new positions approved in prior years, and debt servicing.
- increases to the cost for purchasing bulk water from the CRD

The new monthly flat rate accounts for the additional revenue required for the 2025 budget, allocated equally to all service connection types.

Why did the District increase the flat rate this year and not the consumption rate?

Recently, staff have been experiencing challenges in consistency predicting revenue because the rate design relies so heavily on user water consumption. Household consumption levels have been trending downward with increased conservation practices and low-flow appliances; operating costs continue to rise and Council's endorsement of the update to the Infrastructure Replacement Funding Strategy for capital assets, means rate increases will be needed for capital replacement for the foreseeable future.

To bring more balance to the revenue collection, it was endorsed by Council to begin to move away from a rate based on 90% consumption revenue/ 10% flat rate revenue towards a 50/50 allocation. This year was the first step in shifting to this approach. For more information, refer to the Council meeting from October 28, 2024 (2025 [Water and Sewer Utility Rate Restructuring Report](#)) and January 29, 2024 ([Infrastructure Replacement Funding Strategy Report](#)).

I read the meeting minutes from the October 28, 2024 Council meeting for the 2025 Water and Sewer Utility Rate Restructuring Report and that “... *The change should have no net impact to taxpayers*”. Is that true?

No. This was captured in the meeting minutes in a way that it is being mis-understood. There was always the intent to have a rate increase in 2025 that would result in a billing increase to rate payers. Whether the increase was applied to the flat rate or consumption portion of the rate was the topic of the report before Council.

How do I find out about changes to the rates? Where would I find that information?

Changes in the utility rates occur as part of the budgeting process in late November or early December every year so that new rates can take effect on January 1st.

A report to Council is prepared by staff identifying the proposed new rate and the basis for the rate change. Reports to Council are posted on the [District's website](#) on Thursdays for meetings the following Monday.

The new rates are adopted by Bylaw and published on the District's website under [Your Utility Bill](#) and [Charges Explained](#).

How do I voice concerns about rate increases?

Council meetings are open to the public and members of the public can speak to report agenda items. Refer to the District's website for more information on [registering to speak](#) at a Council meeting or contacting a Council member.

Further questions about utility billing can be sent to utilitybilling@saanich.ca, or by calling 250-475-5445.