Agenda – Standing Policy Committee on Water, Waste and Environment – May 1, 2026

REPORTS

Item No. 1 Utility Billing Affordability Impacts

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That this report be received as information.

DECISION MAKING HISTORY:

COUNCIL DECISION:

On November 27, 2025, Council concurred in the recommendation of the Standing Policy Committee on Water, Waste and Environment, and adopted the following:

1. That the updated H2O Help to Others Policy, attached as Appendix A, be approved.

2. That, in the interest of maintaining the City's focus on affordability, the Winnipeg Public Service be directed to report back to the Committee in 180 days with a briefing on affordability impacts including data on H2O program uptake, utility rate changes, customer arrears, and related affordability indicators as part of regular reporting on water and waste services, including information on departmental efforts to provide education for compliance.

3. That the department use the information from Recommendation 2 to guide future changes to the program.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: Utility Billing Affordability Impacts

Critical Path: Standing Policy Committee on Water, Waste and Environment

AUTHORIZATION

Author	Department Head	CFO	CAO
Y. Cenerini, Manager of Customer Engagement and Strategic Services	T. W. Shanks, M. Eng., P. Eng. Director, Water and Waste Department	T. Graham	J. Dunford

EXECUTIVE SUMMARY

The H20 Help to Others Program is meant to help customers who need assistance with paying their utility bill. Changes to the program were introduced in December 2025. Since then, more customers are asking for and receiving financial help with their utility bill. Customers can also request payment arrangements to help them manage their utility bill.

About 34 percent of all utility bills are estimated. Customers can avoid estimated bills by providing regular water meter readings. This will ensure they only pay for the water they use.

This report provides an update on affordability impacts, including information on the following:

- H20 Program uptake;
- Utility rate changes; and
- Customer arrears and payment arrangements.

RECOMMENDATIONS

That this report be received as information.

REASON FOR THE REPORT

On November 27, 2025, Council concurred in the recommendation of the Standing Policy Committee on Water, Waste and Environment, and adopted the following:

2. That, in the interest of maintaining the City's focus on affordability, the Winnipeg Public Service be directed to report back to the Committee in 180 days with a briefing on affordability impacts including data on H2O program uptake, utility rate changes, customer arrears, and related affordability indicators as part of regular reporting on water

and waste services, including information on departmental efforts to provide education for compliance.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications associated with the recommendations of this report.

HISTORY/DISCUSSION

2026 Utility Bill Increases

Water and Sewer Rates

The following water and sewer charges increase came into effect on January 1, 2026:

- The daily basic charge (shown on your bill as “base service”) for a residential property with a 5/8” meter increased to $0.78/day. The daily basic charge varies depending on meter size. These increases were approved by Council on January 25, 2024.
- The water volume rate increased to $2.17/cubic metre. This increase was approved by Council on November 27, 2025.
- The sewer volume rate increased to $4.53/cubic metre. This increase was approved by Council on November 27, 2025.

For most residential properties with a family of four, these water and sewer services fee increases mean an increase of about $11 per quarterly bill in 2026. Increases will vary depending on water consumption.

Waste Management Fees

The following increases to the Waste Management Fee, which were approved by Council on March 27, 2025, came into effect on January 1, 2026:

- $2.50 per quarterly bill for most residential and small commercial properties
- $1.75 per dwelling unit, per quarterly bill, for most multi-unit properties

Estimated Bills and Their Customer Impact

About 34 percent of all utility bills generated are based on estimated meter reads. Customers receive a meter reading card by mail every three months. If a customer is subscribed to MyUtility (or MyAccount), they will also receive an email reminder. However, many customers do not provide timely meter readings.

When a customer doesn’t provide that meter reading, the billing system generates an estimate of their water use, and uses that estimate to bill the customer. The estimate is based on a customer’s water use during the same time last year, their last utility bill, and average use by similar customers (i.e., number of people in household). If there is no previous data, the system bases the customer’s bill on general consumption patterns, which may not reflect their actual usage. In 2025, there were 324,503 estimated bills sent out.

Estimated bills can be too high or too low. If a bill is higher than a customer’s actual usage, the customer ends up paying for water they haven’t yet used. But if the estimate is lower than the customer’s actual usage, the customer may receive a higher catch-up bill in the future.

Estimated bills create more work for both customers and the City:

- A customer who wishes to be billed for actual water usage, after receiving an estimated bill, must take a meter reading and either submit it through an online form or call the Utility Billing Centre (UBC). Depending on the difference between the estimated meter reading and the meter reading they provide, the customer will be advised to wait for a new bill or simply pay the estimated bill.
- The call volumes and wait times, as well as email processing times at the UBC are higher because of the large number of customers inquiring about their estimated bill. Most of these customers are looking to be re-billed, once they've provided an updated reading.
- Every time there's a request for a re-bill, staff in the Customer Accounts Branch must assess the request, determine whether a new bill should be sent, and if so, generate a new bill.

In late 2025/early 2026, the City ran a comprehensive public education campaign to educate customers on the importance of providing regular meter readings and to help address customer frustration with high wait times at the Utility Billing Centre.

As the City begins replacing existing customer-read meters with automated water meters, the number of estimated bills will slowly decrease. Automated meters will remove the need for customers to provide the City with meter reads, ensuring that customers are only paying for what they are using. This will also help customers identify costly water leaks more quickly and avoid large bills.

H2O Help to Others Program Improvements

Program Changes

In November 2025, Council approved an updated H2O Help to Others Policy, which expanded eligibility requirements for the H2O Program. The following changes were made to the eligibility requirements:

- An applicant's total household income must be lower than Statistics Canada's post-tax low-income cut-off (instead of the pre-tax low-income cut-off).
- Applicants on Employment and Income Assistance (EIA) are now eligible to apply.
- Customers are now eligible to apply every two years, outside a 24-month period.

The application process was also updated to make it easier for customers to apply and easier for the Salvation Army to administer.

To increase the visibility of the program and to promote it more widely, the Public Service developed a brochure and a how-to-read-your-meter card. These materials were sent to various governmental agencies and community organizations who provide programs and support to low-income and vulnerable individuals.

Program Uptake

The Salvation Army has reported a significant increase in the number of customers contacting them to discuss their eligibility and to book an appointment to complete their H2O Program application in person, since the program changes were introduced in December 2025. Specifically, they note that there are a lot more EIA clients applying. They also find the new application process easier to work with.

The Salvation Army also administers Manitoba Hydro's Neighbours Helping Neighbours Program. They will promote the H2O Program to customers applying for the Hydro program, as these customers are also likely struggling with their utility bill.

The Salvation Army is able to provide H2O Program applicants with referrals to a variety of other community and government programs that provide assistance in times of crisis. For example, they can help applicants access other programs related to employment, housing, food and personal identification.

The total number of applications and total amount of credits approved under the H2O Program have increased substantially since H2O Program changes were introduced in December 2025. Based on statistics from the first three months, the number of applications approved could almost triple in 2026 (see tables below).

Before Introducing H2O Program Changes

Period	No. of applications approved	Total amount of credits approved
2023 (year)	38	$10,348.71
2024 (year)	36	$9,857.92
Jan to Nov 2025 (11 months)	38	$14,502.76

* Credit limits increased in June 2025

After Introducing H2O Program Changes

Month	No. of applications approved	Total amount of credits approved*
December 2025	11	$4,502.46
January 2026	8	$3,455.84
February 2026	8	$3,285.02
3-month total	**27**	**$11,243.32**

* Credit limits increased in June 2025

Applicants who qualify for the H2O Program receive credits on their utility account, based on the lesser of:

1. The balance outstanding on their turn-off notice; or

2. The maximum credit for the household, which is calculated based on:
    (a) average water use by household size;
    (b) Council-approved rates for water, sewer, and solid waste service; and

(c) any other required fees included on their utility bill.

Most customers who go through the application process will be approved for credits. The main reason customers are denied credits is because their income is above the program's threshold.

Customer Arrears and Payment Arrangements

The H2O Program is meant to help customers who don't have the resources to pay their utility bill and are facing water service disconnection. As more customers struggle to pay their bills on time, the City does offer the option of payment arrangements.

Customers can request payment arrangements through the MyUtility online portal or by contacting the Utility Billing Centre:

Established payment arrangements suspend most regular payment collection activities. While late payment charges apply to overdue balances, customers can spread their payments over several months. Payment arrangement requests are reviewed and approved on a case-by-case basis.

The length of the plan depends on many factors, including:

- total amount outstanding;
- the existence of prior payment arrangement plans;
- payment history; and
- whether the customer is a tenant or property owner.

If a customer defaults on a payment, the payment arrangement is voided, and regular collections processes are resumed.

FINANCIAL IMPACT

Financial Impact Statement

Date: April 10, 2026

Project Name:

Utlity Billing Affordability Impacts

COMMENTS:

There are no financial implications associated with the recommendations of this report. The Salvation Army manages the H2O program on behalf of the City of Winnipeg and actual program costs associated with this program will vary based on the number of applications each year. The financial impact of the program will be absorbed with the current proposed budget in the Water and Sewer Utilities. $52,000 has been budgeted to support this program in 2026.

Melissa Bunkowsky, CPA

Melissa Bunkowsky, CPA
Acting Manager Finance and Administration

CONSULTATION

This Report has been prepared in consultation with:

Salvation Army

OURWINNIPEG POLICY ALIGNMENT

This report is in accordance with the OurWinnipeg 2045 policies through:

Goal: Leadership and Good Governance

Objective 2: Promote trust and government responsiveness through meaningful, inclusive and informed community engagement.

Policy 1.7: Equitable Service Access

Goal: Economic Prosperity

Objective 3: Address poverty as an unacceptable and costly outcome of systemic barriers, through collaboration with the community and government bodies.

Goal: Social Equity

Objective 3: Build social cohesion through community development solutions, coordinated, effective partnerships, and responsive service delivery.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan and its Goals and Objectives, and it was determined that the Climate Action Plan is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

This report is in accordance with the Winnipeg Poverty Reduction Strategy through:

Goal 4: Community Well-Being Supports for those in Greatest Need are Increased

Objective C: Strategic partnerships to connect people to needed supports are developed.

Goal 6: All City Services are Equitable, Inclusive and Accessible

Objective A: Residents have equitable access to City services, in particular demographic groups who experience marginalization.

SUBMITTED BY

Department: Water and Waste Department
Division: Customer Engagement and Strategic Services
Prepared by: Yvette Cenerini
Date: April 10, 2026
File No.: A-017