



# VALUE, SERVICE, & SUSTAINABILITY

## Meeting the Needs of our Customers & Community



# 2026/27 Annual Business Plan

Approved by the Halifax Water Board of Commissioners on February 27, 2026.

Approved by HRM Council on March 10, 2026.

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# INTRODUCTION

## Message from the General Manager

As we enter fiscal year 2026/27, Halifax Water is beginning the second year of its five-year strategic plan, Halifax Water 2030. This plan establishes a clear direction to strengthen long term resilience, financial sustainability, and service excellence for the customers and communities we serve.

The 2026/27 Annual Business Plan translates that strategic direction into clear priorities and actions for the year ahead. It builds on the foundational work completed in 2025/26 and continues the focus on strengthening organizational capability while embedding a culture of accountability and continuous improvement across the utility.

Decision-making remains guided by clear principles—accountability, transparency, and cost-effectiveness—to ensure reliable services are delivered while customer dollars are managed responsibly.

Our approach continues to be informed by the directives and guidance received through our most recent General Rate Application to the Nova Scotia Regulatory Appeals Board (NSRAB), which align closely with our established five-year priorities and reinforce the importance of strong governance, leadership, and operational resilience.

In 2026/27, Halifax Water will focus on improving asset management practices, enhancing service delivery, and strengthening overall organizational resilience to respond effectively to current demands, growth pressures, and emerging risks. These efforts are structured around four strategic pillars that balance workforce capacity, public and environmental safety, financial stewardship, and operational performance.

We are strengthening our workforce by attracting and developing skilled employees, supporting health and wellbeing, and preparing future leaders to ensure services can be delivered safely and reliably over the long term. We are protecting public health, community safety, and the environment through longterm water planning, enhanced emergency preparedness, improved system security, reduced water loss, and strengthened workplace and cyber safety.

We are managing customer dollars responsibly by carefully planning infrastructure investments, improving financial oversight, strengthening governance, and meeting regulatory requirements while considering affordability. At the same time, we are improving service reliability by strengthening operational resilience, standardizing key processes, planning for growth, and using data and technology to improve efficiency and performance.

These priorities are supported by a significant multiyear capital infrastructure program that is essential to maintaining reliable service and accommodating regional growth. Major initiatives including the Burnside Operations Centre, the Water Supply Enhancement Program, the Biosolids Facility Upgrade Project, and the Mill Cove Wastewater Facility—will continue to advance in the year ahead and remain critical to the longterm sustainability of the utility.

Looking ahead, maintaining Halifax Water's financial viability will require submitting another General Rate Application to the NSRAB by September 2026. This application will focus on fiscals 2027/28 and 2028/29, and will support the utility's ability to address aging infrastructure, growth related demands, and evolving regulatory expectations in a planned and transparent manner.

Our success also depends on our ability to attract and retain a skilled workforce within a diverse and inclusive environment that prioritizes both physical and psychological health and safety.

Halifax Water remains committed to fulfilling its mandate as a public utility and to serving the people of Halifax in a safe, reliable, and financially responsible manner. Delivering on the commitments outlined in this plan will require disciplined execution, sound governance, and clear accountability across the organization's leadership and management.

**Kenda MacKenzie**  
**General Manager & CEO**  
**Halifax Water**

# BUSINESS PLAN FOR FISCAL 2026/2027

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 2026/27 business plan, which officially begins on April 1, 2026.

For 2026/27, 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.

# OUR 4 PILLARS



## People

### Objective

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



## Environment, Health, Safety & Social Responsibility

### Objective

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



## Financial & Regulatory Compliance

### Objective

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



## Operational Effectiveness

### Objective

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

# People

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Build a psychologically safe and engaged workplace culture that attracts, develops, and retains talent</b>	Track the implementation progress of the Psychological Health and Safety strategy and incorporate it into the safety management system by Q4.	Building a psychologically strengthens the organization's ability to prevent psychological injury, reduce risks, and boost engagement by creating clearer expectations and consistent practices for leaders. Employees will feel more supported and empowered, leading to better retention, stronger collaboration, and a more resilient, high-performing culture.	Integrating this work into the Safety Management System will embed psychological health and safety as a core organizational value rather than an add-on, reinforcing compliance with national standards and supporting leaders in creating safe, respectful, and trust-based environments.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Implement an effective leadership framework that defines and guides all employees at Halifax Water</b>	Continue to enhance career development through a leadership framework that offers opportunities for self-improvement and sets a clear understanding of roles and expectations that empower and embody leadership at Halifax Water, by Q2.	A well-defined framework provides consistent guidance for self-improvement, supports equitable development opportunities, and aligns individual growth with organizational values. This will help ensure all employees have a clear understanding of leadership expectations and the skills required to succeed at Halifax Water.	As employees gain greater confidence and understanding of expectations, the organization will benefit from stronger engagement, improved performance, and a culture that embodies leadership at all levels.  It will empower employees, create more consistent leadership behaviours, and improve readiness for future roles.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Execute the talent management strategy through collaborative partnerships with organizational leaders.</b></p>	<p>Begin implementing the Strategic Recruitment and Attraction plan, with priority initiatives for 2026/27, by Q1.</p>	<p>Implementing a consistent, future-focused approach to attracting, developing, and retaining talent across the organization is essential. It will enable the organization to strengthen its employer brand, streamline hiring processes, and embed successful talent practices.</p>	<p>Strengthens alignment between talent needs and recruitment, enabling continued high quality hires, more proactive workforce planning, and a stronger employer brand that supports inclusive hiring, organizational agility, and long-term workforce sustainability.</p>
	<p>Identify and provide development opportunities for future leaders, including establishing a mentorship program for those potentially moving into leadership positions, by Q3.</p>	<p>This is essential to sustaining organizational capability and ensuring smooth transitions in key roles. Establishing a mentorship program and targeted development opportunities enables emerging leaders to build the skills, confidence, and relationships needed to succeed.</p>	<p>Developing career pathways and a structured mentorship program will improve leadership readiness, strengthen retention, and enhance internal mobility. As future leaders gain clarity on growth opportunities, the organization benefits from greater stability, increased engagement, and a more resilient leadership bench aligned with long-term strategic needs.</p>

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Enhance the employee experience by improving touch points throughout an employee's career</b></p>	<p>Develop and launch a framework to identify and mitigate potential resource gaps related to critical roles by Q3.</p>	<p>Identifying gaps in critical roles strengthens workforce planning and helps leaders proactively manage risks that could impact operations or employee experience. This work is a continuation of the succession planning work started in 2025/26.</p>	<p>The organization will improve continuity, reduce operational risk, and create a more predictable and supportive employee experience. Ultimately, this work enhances retention, strengthens capability across teams, and supports longer-term workforce planning initiatives.</p>
	<p>Define key metrics for succession planning and establish processes for monitoring and reporting, by Q4.</p>	<p>Establishing succession planning metrics and processes for monitoring and reporting will strengthen the organization's ability to identify talent risks and development needs proactively. This work will support leaders in making informed decisions and enhancing the employee experience by ensuring more transparent and consistent career development pathways.</p>	<p>The organization will gain better visibility into talent readiness, reduce vulnerability in key roles, and create more predictable growth opportunities for employees. This leads to stronger leadership continuity, improved retention, and a more engaged, future-ready workforce.</p>

# Environment, Health, Safety & Social Responsibility

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Strengthen our safety policies and procedures to ensure a safe working environment for all employees</b>	Improve the Occupational Health and Safety (OHS) program by updating the OHS manual, enhancing incident reporting, and implementing safety metric measurement and tracking by Q4.	Updating the OHS manual, strengthening incident reporting, and improving safety metrics are necessary to ensure the Occupational Health and Safety program reflects current regulatory requirements, operational risks, and best practices. Enhanced data quality and consistent documentation enable the utility to proactively identify hazards, measure performance, and target safety improvements.	This work will strengthen the safety culture, reduce the likelihood and severity of workplace incidents, and support informed decision-making through reliable safety performance tracking. It will also improve regulatory compliance, transparency, and accountability while supporting a safer, healthier workforce.
	Begin implementing enhanced Fire Safety audits across all facilities by Q4.	Enhanced fire safety audits are required to systematically verify that fire protection systems and procedures remain effective, compliant, and aligned with operational risks across all facilities.	Implementing fire safety audits will reduce fire-related risk, improve emergency preparedness, and strengthen protection of employees, infrastructure, and critical water services while reinforcing a strong safety culture.
	Develop the first draft of the centralized Halifax Water Security Plan by Q4.	Developing the Halifax Water Security Plan establishes a formal, risk-based framework to identify, assess, and manage security threats to critical water infrastructure, personnel, and public health.	The Security Plan will strengthen protection of critical assets, improve preparedness and coordination across the organization, and provide a foundation for consistent security practices that support service continuity and regulatory confidence.
	Implement elements of the Electrical Safety program, including training, inspections, updated safe work practices, and electrical safety studies by Q4	Electrical hazards, including arcfash and energized work risks, present a high-severity safety exposure in water utility operations that requires a structured, risk-based approach to prevention and control	This initiative will reduce the risk of serious electrical incidents, improve worker competency and compliance, and strengthen protection of employees and critical infrastructure while embedding electrical safety as a core operational practice.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Implement an emergency management program that ensures business continuity to safeguard water supply, public health and the environment</b></p>	<p>Execute activities identified in the Emergency Management Strategic Plan (for fiscal 2026/27) by Q4.</p>	<p>This ensures the utility is prepared to respond effectively to emergencies that threaten water supply, public health, and critical operations. Proactive implementation strengthens coordination, clarifies roles, and embeds emergency readiness into day-to-day operations, while enhancing response.</p>	<p>This work will strengthen the safety culture, reduce the likelihood and severity of workplace incidents, and support informed decision-making through reliable safety performance tracking. It will also improve regulatory compliance, transparency, and accountability while supporting a safer, healthier workforce.</p>
	<p>Continue to enhance Halifax Water's cyber security preparedness by establishing measurable performance indicators, addressing ongoing Municipal Auditor General (MAG) recommendations and completing year 2 of the Halifax Water compliance roadmap by Q4.</p>	<p>Reduces vulnerabilities, ensures operational continuity, and demonstrates compliance with National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and Audit recommendations, building trust with customers.</p>	<p>Implementation will improve response effectiveness, reduce service disruptions, and support business continuity during emergencies through trained staff, tested plans, and clear decision pathways. It will also enhance regulatory confidence, inter agency coordination, and public trust in the utility's ability to manage and recover from emergency events.</p>

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Launch sustainability programs that recognize climate impacts and address the long-term viability of water resources, infrastructure, and environmental impacts</b></p>	<p>Develop an adaptive planning framework for the municipal drinking water supply by Q4.</p>	<p>Climate change, population growth, and infrastructure pressures create uncertainty that traditional water supply planning cannot adequately address. An adaptive planning framework enables the utility to plan for multiple future conditions and make timely, flexible decisions to maintain safe and reliable drinking water.</p>	<p>Improves water supply resilience, supports faster and more consistent decision-making during droughts or disruptions, and better aligns capital and operational investments with risk. It will also strengthen regulatory confidence and provide a foundation for ongoing, data-driven planning updates.</p>
	<p>Assess the existing dam management program to develop and implement a formal Dam Safety Management System that integrates into the integrated management system by Q4</p>	<p>Enhanced public, employee and environmental safety. Improved regulatory compliance and due diligence. Higher asset reliability.</p>	<p>A dam safety management system is designed to ensure the safe operation, maintenance, and monitoring of dams by minimizing failure risks, ensuring compliance, and aligning with organizational objectives.</p>
	<p>Review the current approach to water loss control, develop a plan to improve water loss in the system, and begin implementing short-term actions by Q4.</p>	<p>Reducing water loss will lower production costs by reducing chemical and electricity use. It will also provide additional capacity to manage water during drought conditions for both production and distribution.</p>	<p>With aging infrastructure, rising operational costs and increased customer expectations, it is important to minimize loss in the system. Managing water loss is even more important in the face of climate change and the long-term viability of water resources.</p>
	<p>Explore opportunities for Demand Side Management by Q4</p>	<p>To improve system resilience, analyze future growth capacity, and potentially reduce or delay the need for costly infrastructure expansion, the utility must better understand how customer water use (demand) can be influenced, given increasing climate variability, peak demand pressures, and long-term supply constraints.</p>	<p>Exploring demand-side management opportunities will inform future conservation and pricing strategies, reduce peak and seasonal demand, and support sustainable water supply planning while maintaining reliable service for customers and potential capacity for growth.</p>

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Increase customer compliance through education and enforcement of the appropriate use of water, wastewater and stormwater systems</b></p>	<p>Enhance education and awareness plans, as well as internal processes and procedures, for various customer-related programs to increase customer compliance by Q4.</p>	<p>Proactive education and awareness programs, along with enhanced internal processes and procedures, promote more efficient water use, proper disposal practices, and effective stormwater management.</p>	<p>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 helps foster a community-wide commitment to sustainable water system management.</p>
	<p>Develop a framework for a water service Backflow Prevention Retrofit program by Q4.</p>	<p>Cross-connections and backflow events pose a significant public health risk to the drinking water system, requiring a structured, consistent approach to identifying, prioritizing, and addressing retrofit needs.</p>	<p>Establishing a retrofit program framework will reduce the risk of contamination, improve system protection and regulatory assurance, and provide a clear foundation for phased implementation and customer engagement.</p>

# Financial & Regulatory Accountability

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Deliver the next 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>	Advance the IRP Update Project, including system analysis and the development of regional servicing strategies by Q4.	This enables informed capital investment decisions, improves regional servicing efficiency, and strengthens the utility's ability to deliver reliable, sustainable services across systems over the long term.	The IRP is necessary to develop a coordinated, data-driven understanding of system needs and to align long-term servicing strategies with asset renewal, growth and compliance drivers.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Implement an enhanced project management framework to plan and deliver projects effectively</b>	Continue improvements to capital project planning and delivery through process and software development by Q4.	Enhancing schedule and cost performance, strengthening governance and reporting, and improving the utility's ability to deliver capital projects reliably and efficiently.	It is essential to increase consistency, transparency, and decision-making effectiveness across an expanding and increasingly complex capital program.
	Enhance financial management processes to better inform budget, capital investment, and debt strategies by Q4.	Improved capital budgeting and capital spend forecasting will inform future rates required to fund depreciation and debt servicing costs.	Process improvements will provide more accuracy to ensure that costs are built into the rates at the appropriate time.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Adopt more effective internal processes and tools to support regulatory oversight</b>	Address gaps identified from a review of Halifax Water’s regulatory processes to help enhance the corporate governance framework and align with Industry best practices by Q4.	This alignment enhances organizational accountability, improves operational performance, and increases public and regulatory confidence in Halifax Water’s long-term sustainability and service delivery.	Ensures a more up-to-date framework to support corporate governance for a modern water utility. It strengthens regulatory processes and aligns Halifax Water’s governance framework, ensuring decisions are transparent, consistent, and grounded in industry best practices.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Adapt organizational processes to enhance financial management, accountability and corporate governance</b>	File a General Rate Application for test years 2027/28 and 2028/29, to comply with NSRAB Directives to recover operating expenses, and maintain, repair, and upgrade aging infrastructure to ensure safe and reliable service, and to address financial deficit by Q3.	Rate applications help establish approved rates for customers. The resulting review and decisions by the NSRAB will provide Halifax Water with an open and transparent process for all customers as the organization seeks financial clarity on rates and service.	The rate application must be filed with the NSRAB and aligns with the revenue requirements for April 2027.

# Operational Effectiveness

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<b>Make prudent investments to improve system resiliency and reliability</b>	Improve Operational Resiliency through an enhanced Quality Management System (QMS) for both water and wastewater service delivery by Q4.	Increasing regulatory complexity, operational risk, and climate-driven variability require a systematic, risk-based approach to managing water and wastewater processes to ensure consistent service delivery.	Implementing a Quality Management System will strengthen operational resiliency by improving consistency, accountability, and continuous improvement across water and wastewater services, thereby supporting regulatory compliance and protecting public health.
	Continue to address corrective actions identified from the Boil Water Advisories and the Operational Resilience Program, with completion of the medium-term corrective actions by Q4.	Operational resilience and reliability. Improved customer confidence.	With aging infrastructure, we must have controls and processes in place to proactively program system improvements to address potential issues before they occur and be prepared when they do.
	Develop a project delivery strategy for upcoming major capital projects (Water Supply Project Upgrades and Mill Cove Wastewater Treatment Facility) by Q2.	Improves cost and schedule certainty, enhances risk management and accountability, and positions the utility to deliver these critical assets efficiently and compliantly while minimizing service disruption.	Establishes transparent governance, risk allocation, procurement approach, and resourcing plans tailored to project complexity, market conditions, and regulatory constraints.

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Create a disciplined culture of accountability, continuous improvement, and risk mitigation</b></p>	<p>Develop standardized approaches for key Integrated Management System (IMS) processes and define continual improvement pathways using a certification-readiness framework by Q4.</p>	<p>Standardizing essential processes within the Integrated Management System creates a strong foundation for consistency, shared understanding, and scalable best practices, enabling programs to mature through structured continual improvement pathways.</p>	<p>Standardizing processes and establishing certification-readiness pathways will improve consistency, efficiency, and accountability while enabling sustainable, measurable improvements across integrated management programs.</p>

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Improve and support our relationships with customers</b></p>	<p>File an update to the Regional Development Charge (RDC) with the NSRAB, including the following: capital requirements, benefits to existing customers, and approaches to improving demand-side management, by Q2.</p>	<p>Updating RDC helps ensure that it reflects current capital costs and projects that support regional infrastructure needs. This helps mitigate the risk that the RDC is underfunded, based on the recent rate freeze.</p>	<p>Aligns with the NSRAB's directive to file an RDC update in July 2026.</p>

5Year Strategic Initiatives	Annual Goals for 2026/27	Impact/Outcome	Rationale
<p><b>Enhance our organizational decision-making processes to deliver more financially prudent and effective services</b></p>	<p>Align with provincial &amp; municipal development intensification planning to understand the mid to long-term impacts on water, wastewater and stormwater infrastructure by Q4.</p>	<p>Supports proactive infrastructure planning, reduces servicing risks, and ensures capital investments are well timed, resilient, and coordinated with future development.</p>	<p>It is necessary to anticipate mid-to long-term growth patterns and understand their implications for infrastructure capacity and performance.</p>
	<p>Establish a foundational framework for Halifax Water that defines core services, service users, and service attributes, enabling identification of gaps and the required data to measure customer-focused Levels of Service (LOS) by Q4.</p>	<p>Leads to more predictable and consistent utility performance, improved customer trust and justification for operational and capital spending. It strengthens long-term planning, supports proactive asset management and helps deliver services efficiently while balancing cost, risk and performance.</p>	<p>Establishing levels of service provides a foundation for decision-making, ensures alignment with customer expectations and regulatory requirements and helps prioritize investments based on risk and service outcomes.</p>
	<p>Establish a strategy and implementation plan for data analytics, automation, and AI that support organizational objectives and enhance operational efficiency by Q2.</p>	<p>Leveraging data analytics will enable Halifax Water to transform raw data into actionable insights, improving forecasting, optimizing asset management, and reducing operational costs through data-driven decisions.</p>	<p>Developing a formal analytics strategy ensures Halifax Water leverages new and existing data as a strategic asset, supporting the organization's objectives and aligning with modern utility standards for efficiency and resilience.</p>

# BUDGET SUMMARY

## Capital Budget

Halifax Water proposes a total capital spending plan of \$164.6 million for 2026/27, comprising \$46.9 million in previously approved projects in progress and \$117.7 million in new investment. Appendix A provides detailed information on the capital budget and spending plan. Presenting the plan on a total capital spending basis enhances transparency and oversight, and improves alignment between approved budgets, actual expenditures, and project delivery schedules.

The 2026/27 capital budget aligns with the 30-year, \$2.7 billion (2019 net present value) Integrated Resource Plan (IRP), which identified an average annual investment requirement of \$135 million to support asset renewal, regulatory compliance, and growth. This budget reflects the ongoing challenge of increasing annual capital spending from \$61.4 million a decade ago to meet, and in some years exceed, the IRP target.

The development of the 2026/27 capital spending plan builds on the realignment of the Engineering and Capital Infrastructure Department and on the strengthening of organizational capacity to deliver the IRP program. This realignment has improved project planning and delivery, while further work on delivery strategies for large, complex projects will enhance project governance and alignment with utility objectives throughout the project life cycle.

The plan is grounded in a realistic assessment of delivery capacity, with investment levels adjusted for construction cost escalation and priority asset renewal needs. Projects have been deliberately selected and phased to manage delivery and financial risk, avoid over extension of internal resources, and support effective regulatory oversight. This approach promotes reliable performance against capital targets while advancing long-term service sustainability and reducing the risk of service interruptions.

Funding for the capital program will be provided through depreciation and debt, regional development charges, capital cost contributions, and external sources, including federal and provincial infrastructure programs and HRM cost sharing.

2026/2027 Capital Budget Funding Sources (in 000's)					
Funding Source	District Energy	Stormwater	Wastewater	Water	Totals
Depreciation	\$0	\$4,038.0	\$24,412.0	\$18,249.0	<b>\$46,699.0</b>
Debt	\$151.4	\$15,293.9	\$17,001.1	\$29,953.5	<b>\$62,399.9</b>
Regional Development Charge	\$0	\$0	\$4,349.4	\$369.7	<b>\$4,719.1</b>
External Funding	\$416.5	\$1,653	\$849.3	\$961.4	<b>\$3,880.7</b>
Capital Cost Contributions	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>TOTAL</b>	<b>\$567.9</b>	<b>\$20,985.4</b>	<b>\$46,611.8</b>	<b>\$49,533.6</b>	<b>\$117,698.7</b>

## Operating Budget

The operating budget for 2026/27 shows a budgeted surplus of \$1.4 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

	Budget 2025/26	<b>Budget 2026/27</b>	From 2025/26 Budget	
	'000	'000	\$ Change	% Change
<b>Operating revenues</b>	174,617	<b>220,337</b>	45,720	26.18%
<b>Operating expenditures</b>	169,004	<b>176,921</b>	7,918	4.68%
<b>Earnings from operations before financial and other revenues and expenditures</b>	5,613	<b>43,416</b>	37,803	673.43%
<b>Financial and other revenues</b>				
Interest	468	<b>250</b>	(218)	(46.56%)
Other	617	<b>700</b>	83	13.42%
	1,085	<b>950</b>	(135)	(12.45%)
<b>Financial and other expenditures</b>				
Interest	323	<b>450</b>	127	39.45%
Interest on long term debt	12,291	<b>13,426</b>	1,135	9.23%
Repayment on long term debt	20,514	<b>21,100</b>	586	2.86%
Amortization of debt discount	279	<b>305</b>	26	9.21%
Dividend/grant in lieu of taxes	7,236	<b>7,683</b>	447	6.18%
Other	130	<b>15</b>	(115)	(88.48%)
	40,773	<b>42,979</b>	2,206	5.41%
<b>Earnings (loss) for the year</b>	\$ (34,075)	<b>\$ 1,387</b>	\$ 35,462	(104.07%)

Water services is budgeting a deficit \$0.2 million with wastewater services budgeting a surplus of \$1.2 million, and stormwater services budgeting a surplus of \$0.4 million for 2026/27.

### Operating Budget Key Assumptions

Halifax Water's main revenue sources are derived from base and consumption charges. Of these charges, 81.1% is from consumption/discharge rates and 18.9% is from base charges. The 2026/27 Operating Budget is based on regulated rates and charges approved by the NSRAB effective April 1, 2026. For 2026/27, a 1.82% increase in total consumption has been assumed. New customer connections are estimated at 570 for water and 531 for wastewater services based on historical trends.

The increase in Halifax Water's operating costs was outlined in the General Rate Application (GRA) filed in May 2025 and has been adjusted based on the directives in the GRA decision issued in December 2025. Halifax Water has added 17 new positions to support customer growth, regulatory requirements, capital delivery, and infrastructure. Increases in unionized salary rates were based on collective agreements 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 2026/27. Energy costs for electricity, furnace oil and natural gas are budgeted to increase from 5% to 15%. The GRA decision directed Halifax Water to reduce its budgeted amount for chemical costs in 2025/26 and to limit the estimated increase in 2026/27 to 2.5%.

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. The dividend/grant in lieu of taxes has increased to \$7.7 million and the debt servicing costs have increased to \$34.5 million. The budget includes the issuance of \$90.0 million in new debt at an interest rate of 4.0%. Depreciation reflects the estimated increase in assets in 2025/26 and 2026/27 and has increased to \$44.6 million in 2026/27.

## PERFORMANCE MEASUREMENT

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 2026/27, these indicators are being revisited and presented to the Board for approval in March 2026.

# APPENDIX A: 2026/27 CAPITAL BUDGET



## Capital Budget Summary by Program 2026/27

### Attachment 1

Program Category	Program Sub Category	All \$ in 000s	All \$ in 000s	All \$ in 000s
		Program Costs	Previously Approved	New Budget 2026/27
Corporate	Corporate - Asset Management	10,458	2,632	7,825
Corporate	Corporate - Energy	20	0	20
Corporate	Corporate - Engineering	10,270	1,810	8,460
Corporate	Corporate - Equipment	150	16	134
Corporate	Corporate - Facility Projects	23,125	16,096	7,029
Corporate	Corporate - Fleet	4,805	1,301	3,504
Corporate	Corporate - Information & Technology	21,119	0	21,119
Corporate	Corporate - Integrated	15,100	0	15,100
Corporate	<b>TOTAL</b>	<b>85,047</b>	<b>21,855</b>	<b>63,192</b>
District Energy Services	District Energy - Distribution	568	0	568
District Energy Services	<b>TOTAL</b>	<b>568</b>	<b>0</b>	<b>568</b>
Stormwater	Stormwater - Culverts/Ditches	7,030	382	6,648
Stormwater	Stormwater - Pipes	9,157	3,195	5,962
Stormwater	Stormwater - Structures	40	40	0
Stormwater	<b>TOTAL</b>	<b>16,227</b>	<b>3,617</b>	<b>12,610</b>
Wastewater	Wastewater - Collection System	15,276	3,699	11,576
Wastewater	Wastewater - Energy	140	0	140
Wastewater	Wastewater - Equipment	945	30	915
Wastewater	Wastewater - Forcemains	0		
Wastewater	Wastewater - Structures	10,304	6,500	3,804
Wastewater	Wastewater - Treatment Facility	8,344	1,918	6,426
Wastewater	Wastewater - Trunk Sewers	200	200	0
Wastewater	<b>TOTAL</b>	<b>35,209</b>	<b>12,347</b>	<b>22,861</b>
Water	Water - Distribution	8,530	3,373	5,157
Water	Water - Energy	100	0	100
Water	Water - Equipment	53	0	53
Water	Water - Land	88	88	0
Water	Water - Structures	9,809	812	8,997
Water	Water - Transmission	3,660	2,808	852
Water	Water - Treatment Facilities	5,285	1,976	3,309
Water	<b>TOTAL</b>	<b>27,524</b>	<b>9,056</b>	<b>18,467</b>
<b>GRAND TOTAL</b>		<b>164,574</b>	<b>46,875</b>	<b>117,699</b>



## Capital Budget by Project 2026/27

**Attachment 1**

Program Category	Program Sub Category	Project Code	Project Name	All \$ in 000s	All \$ in 000s	All \$ in 000s
				Capital Spend 2026/27	Previously Approved	New Budget 2026/27
<b>Corporate</b>	<b>Corporate - Asset Management</b>					
Corporate	Corporate - Asset Management	2.000043	Corporate Flow Monitoring Program	2,330	164	2,166
Corporate	Corporate - Asset Management	2.0001074	SSO and CSO Management Program	475	475	0
Corporate	Corporate - Asset Management	3.0000644	Water Efficiency Strategy	100	100	0
Corporate	Corporate - Asset Management	4.0000113	Climate Change Management Program	175	0	175
Corporate	Corporate - Asset Management	4.0000156	Asset Management Program Roadmap Update – Implementation	175	127	48
Corporate	Corporate - Asset Management	4.0000158	Condition Assessment Program: Enhancement and Implementation	550	0	550
Corporate	Corporate - Asset Management	4.0000163	Annual Asset Management Plan Update	25	0	25
Corporate	Corporate - Asset Management	4.0000168	Model Enhancements	35	0	35
Corporate	Corporate - Asset Management	4.0000170	Integrated Resource Plan Update	1,400	1,400	0
Corporate	Corporate - Asset Management	4.0000275	Digital Twin – Data Extraction	100	0	100
Corporate	Corporate - Asset Management	4.0000308	Growth Servicing Strategy	275	275	0
Corporate	Corporate - Asset Management	4.0000318	Water Survey of Canada Hydro Monitoring	160	4	156
Corporate	Corporate - Asset Management	4.0000358	Sewer Inspection Program Review - Target State	650	86	564
Corporate	Corporate - Asset Management	4.0000359	AMP Continuous Improvement	53	0	53
Corporate	Corporate - Asset Management	4.0000440	AM Service Delivery Management	35	0	35
Corporate	Corporate - Asset Management	4.0000441	CCTV Sewer Condition Assessment	1,135	0	1,135
Corporate	Corporate - Asset Management	4.0000442	Trunk Sewer & Outfall Condition Program Development and Pilot	200	0	200
Corporate	Corporate - Asset Management	4.0000443	Transmission Main Condition Assessment Program 26/27	1,500	0	1,500
Corporate	Corporate - Asset Management	4.0000444	2026/27 AM Data & Technology Strategic Support – Implementation	500	0	500
Corporate	Corporate - Asset Management	4.0000445	Cross Culvert Condition Assessment Program	35	0	35
Corporate	Corporate - Asset Management	4.0000446	Safe Yield Program	320	0	320
Corporate	Corporate - Asset Management	4.0000449	Corporate Building Inventory	18	0	18
Corporate	Corporate - Asset Management	4.0000450	Lifecycle Strategy Enhancement	18	0	18
Corporate	Corporate - Asset Management	4.0000451	Critical Asset Inventory Enhancement	25	0	25
Corporate	Corporate - Asset Management	4.0000454	Capital Planning Process Improvement	170	0	170
<b>Corporate</b>	<b>Corporate - Asset Management</b>	<b>Total</b>		<b>10,458</b>	<b>2,632</b>	<b>7,825</b>
<b>Corporate</b>	<b>Corporate - Energy</b>					
Corporate	Corporate - Energy	4.0000460	OAT Reset Controls Implementation (RPPS, DCPS, LMWSP)	20	0	20
<b>Corporate</b>	<b>Corporate - Energy</b>	<b>Total</b>		<b>20</b>	<b>0</b>	<b>20</b>
<b>Corporate</b>	<b>Corporate - Engineering</b>					
Corporate	Corporate - Engineering	2.0001236	Collection System Structural Lining Program 2026/27	4,000	573	3,427
Corporate	Corporate - Engineering	3.0000819	Treatment Facilities - Condition Assessment - Small Systems WSPs and Community WWTF	500	0	500
Corporate	Corporate - Engineering	3.0000820	Treatment Facility Emergency Back-up Power Review	150	0	150
Corporate	Corporate - Engineering	4.0000416	Bayers Road Phase 2 Widening - Water Transmission Main Replacement and Sewer Separation	180	21	159
Corporate	Corporate - Engineering	4.0000424	Sullivan's Pond Phase 2, Part 2	4,300	715	3,675
Corporate	Corporate - Engineering	4.0000429	Port Wallace Utility Corridor	500	500	0
Corporate	Corporate - Engineering	4.0000464	Maynard Lake and Clement Wetland Separation	210	0	210
Corporate	Corporate - Engineering	4.0000466	Critical Telemetry Backup Power	140	0	140
Corporate	Corporate - Engineering	4.0000468	ICA Implementation	200	0	200
<b>Corporate</b>	<b>Corporate - Engineering</b>	<b>Total</b>		<b>10,270</b>	<b>1,810</b>	<b>8,460</b>
<b>Corporate</b>	<b>Corporate - Equipment</b>					
Corporate	Corporate - Equipment	4.0000154	Customer Meters - New and Replacement	150	16	134
<b>Corporate</b>	<b>Corporate - Equipment</b>	<b>Total</b>		<b>150</b>	<b>16</b>	<b>134</b>
<b>Corporate</b>	<b>Corporate - Facility Projects</b>					
Corporate	Corporate - Facility Projects	3.0000221	Energy Management Capital Program (Corporate)	125	125	0
Corporate	Corporate - Facility Projects	4.0000009	Security Upgrade Program (water and wastewater)	100	62	38
Corporate	Corporate - Facility Projects	4.0000077	Building Capital Improvements	1,200	698	502
Corporate	Corporate - Facility Projects	4.0000187	Burnside Operations Centre	21,700	15,211	6,489
<b>Corporate</b>	<b>Corporate - Facility Projects</b>	<b>Total</b>		<b>23,125</b>	<b>16,096</b>	<b>7,029</b>
<b>Corporate</b>	<b>Corporate - Fleet</b>					
Corporate	Corporate - Fleet	4.0000007	Fleet Upgrade Program W	620	404	216
Corporate	Corporate - Fleet	4.0000316	Fleet Upgrade Program WWWSW	4,185	898	3,287
<b>Corporate</b>	<b>Corporate - Fleet</b>	<b>Total</b>		<b>4,805</b>	<b>1,301</b>	<b>3,504</b>
<b>Corporate</b>	<b>Corporate - Information &amp; Technology</b>					
Corporate	Corporate - Information & Technology	3.0000807	ORP - Operational Staffing Assessment & Strategy	500	0	500
Corporate	Corporate - Information & Technology	3.0000808	ORP - Drinking Water QMS Implementation	350	0	350
Corporate	Corporate - Information & Technology	3.0000809	ORP - Alarm Standardization Implementation	400	0	400
Corporate	Corporate - Information & Technology	3.0000810	ORP - SOPs, Emergency Exercises, Training	325	0	325
Corporate	Corporate - Information & Technology	3.0000811	ORP - Critical Spare Parts	325	0	325
Corporate	Corporate - Information & Technology	4.0000239	OT-Process-TS Work Tracking	50	0	50
Corporate	Corporate - Information & Technology	4.0000320	OT-Process-OT & Electrical Standards/Specifications	200	0	200
Corporate	Corporate - Information & Technology	4.0000365	Automated Equalized Overtime	299	0	299
Corporate	Corporate - Information & Technology	4.0000376	ERP Enhancements	400	0	400
Corporate	Corporate - Information & Technology	4.0000381	Aerial Imagery Acquisition 26-27	50	0	50
Corporate	Corporate - Information & Technology	4.0000382	GIS Data Automation 26-27	200	0	200
Corporate	Corporate - Information & Technology	4.0000383	Capital Delivery Upgrades PMO 26-27	750	0	750
Corporate	Corporate - Information & Technology	4.0000384	Capital Delivery Upgrades - EPP 26-27	800	0	800
Corporate	Corporate - Information & Technology	4.0000385	Capital Planning Upgrades - EPP 26-27	350	0	350
Corporate	Corporate - Information & Technology	4.0000386	ERP Upgrades 26-27	200	0	200
Corporate	Corporate - Information & Technology	4.0000389	PMO Improvements 26-27	860	0	860
Corporate	Corporate - Information & Technology	4.0000390	ORP - Incident Response Plans & Playbooks	625	0	625
Corporate	Corporate - Information & Technology	4.0000391	ORP - Enterprise Resiliency Assessments	500	0	500
Corporate	Corporate - Information & Technology	4.0000394	IT Asset Management	500	0	500
Corporate	Corporate - Information & Technology	4.0000395	Cyber Metrics Phase 1	124	0	124
Corporate	Corporate - Information & Technology	4.0000396	Endpoint Privileged Management	271	0	271
Corporate	Corporate - Information & Technology	4.0000397	CMMS Version23 Upgrade & preparation for Cloud Solution	650	0	650
Corporate	Corporate - Information & Technology	4.0000398	CMMS Strategy and Governance - Phase 2	350	0	350
Corporate	Corporate - Information & Technology	4.0000399	TUM - Asset Protection & Awareness Training	599	0	599

## Capital Budget by Project 2026/27

Attachment 1

Program Category	Program Sub Category	Project Code	Project Name	All \$ in 000s	All \$ in 000s	All \$ in 000s
				Capital Spend 2026/27	Previously Approved	New Budget 2026/27
Corporate	Corporate - Information & Technology	4.0000400	OT NIDS Enhancements	361	0	361
Corporate	Corporate - Information & Technology	4.0000402	TUM - Monitoring/Assessment & Vulnerability Management	599	0	599
Corporate	Corporate - Information & Technology	4.0000403	Contract Management and Vendor Performance Enhancements	120	0	120
Corporate	Corporate - Information & Technology	4.0000406	EMIS Replacement - Implementation	250	0	250
Corporate	Corporate - Information & Technology	4.0000411	OT-Lifecycle-OT OS Enhancements - Phase 1	600	0	600
Corporate	Corporate - Information & Technology	4.0000412	OT-Lifecycle-Harbour Solutions HMI Infrastructure Enhancements	200	0	200
Corporate	Corporate - Information & Technology	4.0000414	OT-Lifecycle-OT Facilities Enhancements	150	0	150
Corporate	Corporate - Information & Technology	4.0000417	Network Assessments	547	0	547
Corporate	Corporate - Information & Technology	4.0000419	OT Physical Security	258	0	258
Corporate	Corporate - Information & Technology	4.0000421	IS Infrastructure Upgrades 26-27	900	0	900
Corporate	Corporate - Information & Technology	4.0000422	Cyber Awareness Enhancements	167	0	167
Corporate	Corporate - Information & Technology	4.0000425	IS Equipment Replacement 26-27	800	0	800
Corporate	Corporate - Information & Technology	4.0000426	Service Gap Project 26-27	250	0	250
Corporate	Corporate - Information & Technology	4.0000427	Strategic Planning Business Cases 26-27	150	0	150
Corporate	Corporate - Information & Technology	4.0000428	GIS Schema Changes 26-27	100	0	100
Corporate	Corporate - Information & Technology	4.0000430	Integrated Management System 26-27	890	0	890
Corporate	Corporate - Information & Technology	4.0000431	Corporate Governance 26-27	860	0	860
Corporate	Corporate - Information & Technology	4.0000435	General IT System Upgrades 26-27	500	0	500
Corporate	Corporate - Information & Technology	4.0000437	OT-Lifecycle-Capital Tools 26-27	156	0	156
Corporate	Corporate - Information & Technology	4.0000438	OT-Lifecycle-AMI Comms Upgrade 26-27	180	0	180
Corporate	Corporate - Information & Technology	4.0000439	OT-Lifecycle-OT Enhancements 26-27	720	0	720
Corporate	Corporate - Information & Technology	4.0000448	OT-Lifecycle-Radio Network Replacement Program 26-27	250	0	250
Corporate	Corporate - Information & Technology	4.0000452	Comprehensive Emergency Management Program 26-27	700	0	700
Corporate	Corporate - Information & Technology	4.0000462	Enterprise Identity & Access Management	500	0	500
Corporate	Corporate - Information & Technology	4.0000465	Business Continuity Planning (Technology) - Discovery & Planning	984	0	984
Corporate	Corporate - Information & Technology	5.0000002	District Energy Model 26-27	250	0	250
<b>Corporate</b>	<b>Corporate - Information &amp; Technology</b>	<b>Total</b>		<b>21,119</b>	<b>0</b>	<b>21,119</b>
Corporate	Corporate - Integrated					
Corporate	Corporate - Integrated	4.0000420	Integrated Projects All Services - Program 2026/27	15,100	0	15,100
<b>Corporate</b>	<b>Corporate - Integrated</b>	<b>Total</b>		<b>15,100</b>	<b>0</b>	<b>15,100</b>
<b>Corporate</b>	<b>TOTAL</b>			<b>85,047</b>	<b>21,855</b>	<b>63,192</b>
District Energy Services	District Energy - Distribution					
District Energy Services	District Energy - Distribution	5.0000001	Cogswell DES - Utility Development	568	0	568
<b>District Energy Services</b>	<b>District Energy - Distribution</b>	<b>Total</b>		<b>568</b>	<b>0</b>	<b>568</b>
<b>District Energy Services</b>	<b>TOTAL</b>			<b>568</b>	<b>0</b>	<b>568</b>
Stormwater	Stormwater - Culverts/Ditches					
Stormwater	Stormwater - Culverts/Ditches	1.0000104	Driveway Culvert Replacement Program	1,300	334	966
Stormwater	Stormwater - Culverts/Ditches	1.0000109	Cross Culvert Renewal Program 2026/27	5,500	18	5,482
Stormwater	Stormwater - Culverts/Ditches	1.0000279	Cross Culvert Replacement Program 26/27	200	0	200
Stormwater	Stormwater - Culverts/Ditches	1.0000325	Miller Lake Road @ Highway #2 Storm System Renewal	30	30	0
<b>Stormwater</b>	<b>Stormwater - Culverts/Ditches</b>	<b>Total</b>		<b>7,030</b>	<b>382</b>	<b>6,648</b>
Stormwater	Stormwater - Pipes					
Stormwater	Stormwater - Pipes	1.0000034	Raymond Street / Lakecrest Drive - Storm Sewer Replacement	2,892	0	2,892
Stormwater	Stormwater - Pipes	1.0000102	Manhole Renewals SW Program	10	7	3
Stormwater	Stormwater - Pipes	1.0000103	Catchbasin Renewals SW Program	75	19	56
Stormwater	Stormwater - Pipes	1.0000135	Lateral Replacements SW Program	10	0	10
Stormwater	Stormwater - Pipes	1.0000246	Oathill Lake Stormwater System Renewal	50	50	0
Stormwater	Stormwater - Pipes	1.0000321	Tobin Run Stormwater Renewal	675	675	0
Stormwater	Stormwater - Pipes	1.0000349	Windsor Street Exchange Redevelopment - Stormwater Infrastructure - Construction	4,000	998	3,002
Stormwater	Stormwater - Pipes	1.0000350	Farrell Street Storm Sewer Replacement	1,345	1,345	0
Stormwater	Stormwater - Pipes	1.0000355	Catchbasin Leads Replacement Program	100	100	0
<b>Stormwater</b>	<b>Stormwater - Pipes</b>	<b>Total</b>		<b>9,157</b>	<b>3,195</b>	<b>5,962</b>
Stormwater	Stormwater - Structures					
Stormwater	Stormwater - Structures	1.0000353	Flood List Access Improvements	40	40	0
<b>Stormwater</b>	<b>Stormwater - Structures</b>	<b>Total</b>		<b>40</b>	<b>40</b>	<b>0</b>
<b>Stormwater</b>	<b>TOTAL</b>			<b>16,227</b>	<b>3,617</b>	<b>12,610</b>
Wastewater	Wastewater - Collection System					
Wastewater	Wastewater - Collection System	2.0000223	Wet Weather Management Program	200	200	0
Wastewater	Wastewater - Collection System	2.0000357	Manhole Renewals WW	60	20	40
Wastewater	Wastewater - Collection System	2.0000358	Lateral Replacements WW (non-tree roots)	1,200	0	1,200
Wastewater	Wastewater - Collection System	2.0000563	Lateral Replacements WW (tree roots)	400	26	374
Wastewater	Wastewater - Collection System	2.0000679	College Street - Sewer Separation	2,610	0	2,610
Wastewater	Wastewater - Collection System	2.0000830	Eastern Passage RDII Reduction Program FMZ24 - Lake Loon	35	0	35
Wastewater	Wastewater - Collection System	2.0000831	Eastern Passage RDII Reduction Program FMZ37 - Eastern Passage	18	18	0
Wastewater	Wastewater - Collection System	2.0000835	Canal Street Separation	50	50	0
Wastewater	Wastewater - Collection System	2.0001036	Wastewater Reservicing - Hollis Street	280	43	237
Wastewater	Wastewater - Collection System	2.0001071	Raymond Street / Lakecrest Drive - Sanitary Sewer Replacement	1,203	438	765
Wastewater	Wastewater - Collection System	2.0001072	Sewer Separation Program	100	100	0
Wastewater	Wastewater - Collection System	2.0001130	Windmill Road Wastewater Repairs	35	35	0
Wastewater	Wastewater - Collection System	2.0001137	Young Avenue CN Bridge - Sewer Replacement	50	50	0
Wastewater	Wastewater - Collection System	2.0001182	Windsor Street Exchange Redevelopment - Wastewater Infrastructure - Construction	4,000	984	3,016
Wastewater	Wastewater - Collection System	2.0001196	Bedford RDII Reduction Program FMZ02 & 03	35	16	19
Wastewater	Wastewater - Collection System	2.0001220	Kempt Road Sewer Separation	5,000	1,719	3,281
<b>Wastewater</b>	<b>Wastewater - Collection System</b>	<b>Total</b>		<b>15,276</b>	<b>3,699</b>	<b>11,576</b>
Wastewater	Wastewater - Energy					
Wastewater	Wastewater - Energy	2.0000362	Energy Management Capital Program (Wastewater)	140	0	140
<b>Wastewater</b>	<b>Wastewater - Energy</b>	<b>Total</b>		<b>140</b>	<b>0</b>	<b>140</b>
Wastewater	Wastewater - Equipment					
Wastewater	Wastewater - Equipment	2.0000161	I&I Reduction Program Flow Meters and Related Equipment	30	30	0

## Capital Budget by Project 2026/27

**Attachment 1**

Program Category	Program Sub Category	Project Code	Project Name	All \$ in 000s	All \$ in 000s	All \$ in 000s
				Capital Spend 2026/27	Previously Approved	New Budget 2026/27
Wastewater	Wastewater - Equipment	2.0000451	Miscellaneous Equipment Replacement	100	0	100
Wastewater	Wastewater - Equipment	2.0001221	Old Lawrencetown PS Generator Replacement (East)	65	0	65
Wastewater	Wastewater - Equipment	2.0001226	Trenchless Tools/Equipment: Spot Repair Equipment Upgrades/Trailer upgrades	100	0	100
Wastewater	Wastewater - Equipment	2.0001232	Fish Hattery PS- Automatic Transfer Switch Replacement	100	0	100
Wastewater	Wastewater - Equipment	2.0001233	Operation Delivered CCTV and Cleaning for Asset Management	550	0	550
<b>Wastewater</b>	<b>Wastewater - Equipment</b>	<b>Total</b>		<b>945</b>	<b>30</b>	<b>915</b>
<b>Wastewater</b>	<b>Wastewater - Structures</b>					
Wastewater	Wastewater - Structures	2.0000005	Autoport Pleasant Street PS Replacement	500	500	0
Wastewater	Wastewater - Structures	2.0000420	Emergency Pumping Station Pump Replacements	500	282	218
Wastewater	Wastewater - Structures	2.0000444	Wastewater Pumping Station Component Replacement Program	200	169	31
Wastewater	Wastewater - Structures	2.0000660	Bissett PS Component Upgrade	100	100	0
Wastewater	Wastewater - Structures	2.0000665	CSO Upgrade Program	30	30	0
Wastewater	Wastewater - Structures	2.0000846	Quigleys Corner Pumping Station Upgrade	2,000	2,000	0
Wastewater	Wastewater - Structures	2.0000920	Herring Cove Pumping Station - Pump Replacements	1,150	0	1,150
Wastewater	Wastewater - Structures	2.0000978	Majestic Avenue PS Upgrades + FM Twinning	124	124	0
Wastewater	Wastewater - Structures	2.0001030	Duffus Street Pumping Station - Mechanical & Electrical Upgrades	2,000	2,000	0
Wastewater	Wastewater - Structures	2.0001032	Pier A Pumping Station - Mechanical Upgrades	1,000	1,000	0
Wastewater	Wastewater - Structures	2.0001076	Pump Station Quick Connects for Generators and Bypass pumps	250	250	0
Wastewater	Wastewater - Structures	2.0001115	Fall Protection Retro-Fit - Pumping Stations	50	0	50
Wastewater	Wastewater - Structures	2.0001194	Pump Station Hatch Replacements	45	45	0
Wastewater	Wastewater - Structures	2.0001219	Melville Cove PS Upgrades	100	0	100
Wastewater	Wastewater - Structures	2.0001222	Humber Park PS Upgrades	175	0	175
Wastewater	Wastewater - Structures	2.0001228	PS Control Panel / Electrical Replacement Program (Y1)	2,000	0	2,000
Wastewater	Wastewater - Structures	2.0001234	Kearney lake PS Electrical /Technical Upgrade	80	0	80
<b>Wastewater</b>	<b>Wastewater - Structures</b>	<b>Total</b>		<b>10,304</b>	<b>6,500</b>	<b>3,804</b>
<b>Wastewater</b>	<b>Wastewater - Treatment Facility</b>					
Wastewater	Wastewater - Treatment Facility	2.0000056	WWTFs - Plant Optimization Program	150	0	150
Wastewater	Wastewater - Treatment Facility	2.0000522	WWTFs Asset Renewal and Emergency Equipment Replacements/Repairs	650	0	650
Wastewater	Wastewater - Treatment Facility	2.0000668	WWTF - Research Program Pilot Plant	70	68	2
Wastewater	Wastewater - Treatment Facility	2.0000817	Mill Cove WWTF - Plant Upgrades	500	31	469
Wastewater	Wastewater - Treatment Facility	2.0000876	Halifax & Dartmouth WWTF - Raw Water Pump Refurbishment Program	125	0	125
Wastewater	Wastewater - Treatment Facility	2.0000907	WWTFs - Annual Centrifuge Rebuild Program	150	55	95
Wastewater	Wastewater - Treatment Facility	2.0000919	Biosolids Processing Facility - Gas Sensor Upgrade Program	20	0	20
Wastewater	Wastewater - Treatment Facility	2.0000931	Biosolids Processing Facility - Facility Upgrade - Construction & Commissioning	1,460	1,460	0
Wastewater	Wastewater - Treatment Facility	2.0001023	WWTFs - Critical Electrical Equipment Refurbishment Program	600	0	600
Wastewater	Wastewater - Treatment Facility	2.0001047	Dartmouth WWTF - OCS - Refurbishment - Canisters & Components	35	0	35
Wastewater	Wastewater - Treatment Facility	2.0001081	WWTFs - Critical Spare Parts Program	500	0	500
Wastewater	Wastewater - Treatment Facility	2.0001098	Eastern Passage WWTF - Pump Replacement Program	75	0	75
Wastewater	Wastewater - Treatment Facility	2.0001111	North Preston WWTF - Replace Factory Talks with VTScada- Phase 1 Scoping	50	40	10
Wastewater	Wastewater - Treatment Facility	2.0001123	Halifax WWTF - Main Isolation Gate Replacement	250	85	165
Wastewater	Wastewater - Treatment Facility	2.0001127	Dartmouth WWTF - Polymer System Upgrade	120	0	120
Wastewater	Wastewater - Treatment Facility	2.0001138	WWTFs UV Disinfection System Refurbishment Program	450	0	450
Wastewater	Wastewater - Treatment Facility	2.0001140	HHSP WWTFs Distributed Control System Upgrades	350	0	350
Wastewater	Wastewater - Treatment Facility	2.0001143	Halifax WWTF - Fire Alarm System Replacement	70	60	10
Wastewater	Wastewater - Treatment Facility	2.0001158	Eastern Passage WWTF - Polymer System Replacement	100	100	0
Wastewater	Wastewater - Treatment Facility	2.0001164	Eastern Passage WWTF - Odour Control System Carbon Replacement	200	0	200
Wastewater	Wastewater - Treatment Facility	2.0001167	Timberlea WWTF - Alum Tank Refurbishment	400	0	400
Wastewater	Wastewater - Treatment Facility	2.0001170	Timberlea WWTF - Roof Repairs	600	0	600
Wastewater	Wastewater - Treatment Facility	2.0001173	Timberlea WWTF - Generator Capacity Review Phase 1 Scoping	70	5	65
Wastewater	Wastewater - Treatment Facility	2.0001205	Halifax WWTF - Coarse Screen Replacement	53	0	53
Wastewater	Wastewater - Treatment Facility	2.0001206	Eastern Passage WWTF - UV Building Roof Replacement	50	0	50
Wastewater	Wastewater - Treatment Facility	2.0001207	Frame WWTF - Process Pipework Replacement	50	0	50
Wastewater	Wastewater - Treatment Facility	2.0001208	Timberlea WWTF - SCADA Expansion and Spare Parts	200	0	200
Wastewater	Wastewater - Treatment Facility	2.0001209	Timberlea WWTF - Valve Replacement Program	50	0	50
Wastewater	Wastewater - Treatment Facility	2.0001210	Mill Cove WWTF - Boiler Assessment	350	0	350
Wastewater	Wastewater - Treatment Facility	2.0001211	North Preston WWTF - Roof Replacement	35	0	35
Wastewater	Wastewater - Treatment Facility	2.0001212	WWTF Odour Monitoring	100	0	100
Wastewater	Wastewater - Treatment Facility	2.0001213	Middle Musquodoboit WWTF - Security Fence	14	14	0
Wastewater	Wastewater - Treatment Facility	2.0001215	Mill Cove WWTF - Centrifuge Trailer Structural Rehabilitation	100	0	100
Wastewater	Wastewater - Treatment Facility	2.0001217	Mill Cove WWTF - Odour Control Optimization	100	0	100
Wastewater	Wastewater - Treatment Facility	2.0001223	Biosolids Processing Facility - Live Bottom Bin Controls Upgrades	125	0	125
Wastewater	Wastewater - Treatment Facility	2.0001230	WWTFs - Instrumentation, Controls and SCADA Infrastructure Program	123	0	123
<b>Wastewater</b>	<b>Wastewater - Treatment Facility</b>	<b>Total</b>		<b>8,344</b>	<b>1,918</b>	<b>6,426</b>
<b>Wastewater</b>	<b>Wastewater - Trunk Sewers</b>					
Wastewater	Wastewater - Trunk Sewers	2.0001204	Fairview Cove Trunk Sewer	200	200	0
<b>Wastewater</b>	<b>Wastewater - Trunk Sewers</b>	<b>Total</b>		<b>200</b>	<b>200</b>	<b>0</b>
<b>Wastewater</b>	<b>TOTAL</b>			<b>35,209</b>	<b>12,347</b>	<b>22,861</b>
<b>Water</b>	<b>Water - Distribution</b>					
Water	Water - Distribution	3.0000067	- Valves Renewals	400	0	400
Water	Water - Distribution	3.0000068	- Hydrants Renewals	200	0	200
Water	Water - Distribution	3.0000069	- Service Lines Renewals	70	0	70
Water	Water - Distribution	3.0000294	Automated Flushing Program	53	53	0
Water	Water - Distribution	3.0000296	Water Sampling Station Relocation Program	35	31	4
Water	Water - Distribution	3.0000390	Lead Service Line Replacement Program	2,500	1,405	1,095
Water	Water - Distribution	3.0000688	Little Salmon River Bridge Watermain Replacement	100	100	0
Water	Water - Distribution	3.0000696	Tower Road CN Bridge - Watermain Replacement	1,324	0	1,324
Water	Water - Distribution	3.0000699	Raymond St / Lakecrest Drive Storm Sewer Replacement - Watermain	753	753	0
Water	Water - Distribution	3.0000772	Fire Flow Study	35	35	0
Water	Water - Distribution	3.0000782	Pressure Monitoring - Critical Locations	50	0	50
Water	Water - Distribution	3.0000787	Windsor Street Exchange Redevelopment - Water Infrastructure - Construction	2,000	995	1,005

### Capital Budget by Project 2026/27

Attachment 1

Program Category	Program Sub Category	Project Code	Project Name	All \$ in 000s	All \$ in 000s	All \$ in 000s
				Capital Spend 2026/27	Previously Approved	New Budget 2026/27
Water	Water - Distribution	3.0000805	Upper Hammonds Plains Water System Upgrade	890	0	890
Water	Water - Distribution	3.0000816	Operations Workflow Mapping	50	0	50
Water	Water - Distribution	3.0000822	Hardware Replacement Program - Water	35	0	35
Water	Water - Distribution	3.0000828	Non-revenue Water Program	35	0	35
<b>Water</b>	<b>Water - Distribution</b>	<b>Total</b>		<b>8,530</b>	<b>3,373</b>	<b>5,157</b>
<b>Water</b>	<b>Water - Energy</b>					
Water	Water - Energy	3.0000824	Small Systems Heat Pumps	50	0	50
Water	Water - Energy	3.0000825	Collins Park & Middle Musquodoboit HVAC & Pumping System Efficiency Improvements Study	50	0	50
<b>Water</b>	<b>Water - Energy</b>	<b>Total</b>		<b>100</b>	<b>0</b>	<b>100</b>
<b>Water</b>	<b>Water - Equipment</b>					
Water	Water - Equipment	3.0000101	Miscellaneous Equipment Replacement (Water)	53	0	53
<b>Water</b>	<b>Water - Equipment</b>	<b>Total</b>		<b>53</b>	<b>0</b>	<b>53</b>
<b>Water</b>	<b>Water - Land</b>					
Water	Water - Land	3.0000033	Watershed Land Acquisition	88	88	0
<b>Water</b>	<b>Water - Land</b>	<b>Total</b>		<b>88</b>	<b>88</b>	<b>0</b>
<b>Water</b>	<b>Water - Structures</b>					
Water	Water - Structures	3.0000263	District Metered Areas (DMA) Program	70	0	70
Water	Water - Structures	3.0000456	Reservoir Mixing and Residuals Management Upgrade Program	35	0	35
Water	Water - Structures	3.0000589	Aerotech Booster Station Replacement	400	400	0
Water	Water - Structures	3.0000601	Control Chamber Valve Replacement Program	53	53	0
Water	Water - Structures	3.0000623	Booster Station - Building Envelope - Capital Upgrade Program	35	11	24
Water	Water - Structures	3.0000651	Riverside Drive PRV Chamber Replacement	30	30	0
Water	Water - Structures	3.0000707	Albro Lake PRV - CSE Retrofit	250	3	247
Water	Water - Structures	3.0000710	Lennox Drive PRV Chamber - CSE Retrofit and Upgrade	86	86	0
Water	Water - Structures	3.0000712	Mount Edward Reservoir #1 Replacement	8,000	48	7,952
Water	Water - Structures	3.0000762	Lake Major Dam - DFO Offsetting - Follow Up Monitoring (2026-2029)	10	6	4
Water	Water - Structures	3.0000774	Cowie Hill Booster Station - Pump replacement and upgrades	100	100	0
Water	Water - Structures	3.0000780	Ritcey PRV Chamber - CSE Retrofit	63	0	63
Water	Water - Structures	3.0000788	Rockmanor Booster Station Pump Replacement	75	75	0
Water	Water - Structures	3.0000790	Newcastle PRV Chamber Replacement	20	0	20
Water	Water - Structures	3.0000823	Bulkfill Station Program	53	0	53
Water	Water - Structures	3.0000827	Back-up Generator Program - Water	50	0	50
Water	Water - Structures	3.0000829	Mount Edward Booster Station Control and Electrical Replacement	80	0	80
Water	Water - Structures	3.0000835	Electrical System Modernization Project - Water	400	0	400
<b>Water</b>	<b>Water - Structures</b>	<b>Total</b>		<b>9,809</b>	<b>812</b>	<b>8,997</b>
<b>Water</b>	<b>Water - Transmission</b>					
Water	Water - Transmission	3.0000436	Pockwock Transmission Main Twinning - WSP to Hammonds Plain Road	150	150	0
Water	Water - Transmission	3.0000554	North End Feeder Replacement ***	3,000	2,656	344
Water	Water - Transmission	3.0000773	Windmill Road Transmission Main Upgrades	110	2	108
Water	Water - Transmission	3.0000806	Burnside to Bedford Transmission Main - Anderson Lake Segment	400	0	400
<b>Water</b>	<b>Water - Transmission</b>	<b>Total</b>		<b>3,660</b>	<b>2,808</b>	<b>852</b>
<b>Water</b>	<b>Water - Treatment Facilities</b>					
Water	Water - Treatment Facilities	3.0000608	WSEP - JD Kline WSP - Clearwell, reservoir and storage - JDK-800.25	365	0	365
Water	Water - Treatment Facilities	3.0000619	WSEP - Lake Major WSP - Intake/low lift Pump Station - MAJ-800.20	400	286	114
Water	Water - Treatment Facilities	3.0000690	WSPs - Instrumentation and Controls Equipment Program	150	0	150
Water	Water - Treatment Facilities	3.0000691	WSPs Equipment Overhaul and Repair Program	600	0	600
Water	Water - Treatment Facilities	3.0000731	Small Systems - Filter Column Replacement Program	20	0	20
Water	Water - Treatment Facilities	3.0000754	Water Supply Plants Asset Renewal and Emergency Repairs	500	0	500
Water	Water - Treatment Facilities	3.0000755	Lake Major WSP - Security Gate Upgrades	80	70	10
Water	Water - Treatment Facilities	3.0000758	Pockwock Dam Replacement	500	258	242
Water	Water - Treatment Facilities	3.0000768	JD Kline WSP - Pumping Station - Raw Water Valve Actuators Replacement Phase 2 - Pipe 5 & 4	120	120	0
Water	Water - Treatment Facilities	3.0000795	JD Kline WSP - New Dry Polymer System	250	194	56
Water	Water - Treatment Facilities	3.0000796	JD Kline WSP - New Low Lift Generator	100	100	0
Water	Water - Treatment Facilities	3.0000797	JD Kline WSP - New Plant Generator Installation	70	70	0
Water	Water - Treatment Facilities	3.0000798	JD Kline WSP - Third Backwash Pump	800	800	0
Water	Water - Treatment Facilities	3.0000812	WSEP - New Pockwock Water Supply Plant	200	0	200
Water	Water - Treatment Facilities	3.0000813	Bennery WSP - Low Lift Communications Upgrades	70	0	70
Water	Water - Treatment Facilities	3.0000815	Small Systems - Bomont WSP Basement Confined Space Entry Retrofit	50	0	50
Water	Water - Treatment Facilities	3.0000817	Lake Major WSP Chemical Injection Points Replacement	120	0	120
Water	Water - Treatment Facilities	3.0000818	Lake Major WSP - Chemical Feed Line Redundancy	150	0	150
Water	Water - Treatment Facilities	3.0000826	WSPs - Plant Optimization Program	150	0	150
Water	Water - Treatment Facilities	3.0000830	Bennery Lake WSP - Actuator Replacements for various filter valves	70	0	70
Water	Water - Treatment Facilities	3.0000831	Bennery Lake WSP - Replace Stairs to the Lake	50	0	50
Water	Water - Treatment Facilities	3.0000832	JD Kline WSP - New Raw Water Motor	350	0	350
Water	Water - Treatment Facilities	3.0000834	JD Kline WSP - New kickplates around filter and railing improvements	20	0	20
Water	Water - Treatment Facilities	4.0000366	Pilot Project for Ecological Maintenance Flow determination	100	78	22
<b>Water</b>	<b>Water - Treatment Facilities</b>	<b>Total</b>		<b>5,285</b>	<b>1,976</b>	<b>3,309</b>
<b>Water</b>	<b>TOTAL</b>			<b>27,524</b>	<b>9,056</b>	<b>18,467</b>
<b>GRAND TOTAL</b>				<b>164,574</b>	<b>46,875</b>	<b>117,699</b>

## Capital Budget 2026/27 Capital Projects Over \$1M

### Attachment 2

Program Category	Project Code	Project Name	All \$ in 000s
			Y1 2026/27
<b>Corporate</b>			
Corporate	2.0000043	Corporate Flow Monitoring Program	2,330
Corporate	4.0000170	Integrated Resource Plan Update	1,400
Corporate	4.0000441	CCTV Sewer Condition Assessment	1,135
Corporate	4.0000443	Transmission Main Condition Assessment Program 26/27	1,500
Corporate	4.0000424	Sullivan's Pond Phase 2, Part 2	4,390
Corporate	2.0001236	Collection System Structural Lining Program 2026/27	4,000
Corporate	4.0000077	Building Capital Improvements	1,200
Corporate	4.0000187	Burnside Operations Centre	21,700
Corporate	4.0000316	Fleet Upgrade Program WWSW	4,185
Corporate	4.0000420	Integrated Projects All Services - Program 2026/27	15,100
<b>Stormwater</b>			
Stormwater	1.0000104	Driveway Culvert Replacement Program	1,300
Stormwater	1.0000109	Cross Culvert Renewal Program 2026/27	5,500
Stormwater	1.0000034	Raymond Street / Lakecrest Drive - Storm Sewer Replacement	2,892
Stormwater	1.0000349	Windsor Street Exchange Redevelopment - Stormwater Infrastructure - Construction	4,000
Stormwater	1.0000350	Farrell Street Storm Sewer Replacement	1,345
<b>Wastewater</b>			
Wastewater	2.0000358	Lateral Replacements WW (non-tree roots)	1,200
Wastewater	2.0000679	College Street - Sewer Separation	2,610
Wastewater	2.0001071	Raymond Street / Lakecrest Drive - Sanitary Sewer Replacement	1,203
Wastewater	2.0001182	Windsor Street Exchange Redevelopment - Wastewater Infrastructure - Construction	4,000
Wastewater	2.0001220	Kempt Road Sewer Separation	5,000
Wastewater	2.0000846	Quigleys Corner Pumping Station Upgrade	2,000
Wastewater	2.0000920	Herring Cove Pumping Station - Pump Replacements	1,150
Wastewater	2.0001030	Duffus Street Pumping Station - Mechanical & Electrical Upgrades	2,000
Wastewater	2.0001032	Pier A Pumping Station - Mechanical Upgrades	1,000
Wastewater	2.0001228	PS Control Panel / Electrical Replacement Program (Y1)	2,000
Wastewater	2.0000931	Biosolids Processing Facility - Facility Upgrade - Construction & Commissioning	1,460
<b>Water</b>			
Water	3.0000390	Lead Service Line Replacement Program	2,500
Water	3.0000696	Tower Road CN Bridge - Watermain Replacement	1,324
Water	3.0000787	Windsor Street Exchange Redevelopment - Water Infrastructure - Construction	2,000
Water	3.0000712	Mount Edward Reservoir #1 Replacement	8,000
Water	3.0000554	North End Feeder Replacement ***	3,000
<b>GRAND TOTAL - Projects Over \$1M</b>			<b>112,424</b>

## APPENDIX B: 2026/27 OPERATING BUDGET

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

	APR 1/25 MAR 31/26 BUDGET '000	APR 1/26 MAR 31/27 BUDGET '000	From 2025/26 Budget	
			\$ Change	% Change
<b>Operating revenues</b>				
Water	\$ 56,210	\$ 78,850	\$ 22,640	40.28%
Wastewater	90,770	104,907	14,137	15.57%
Stormwater site generated service	8,865	11,631	2,766	31.20%
Stormwater right of way service	6,515	8,485	1,970	30.23%
Fire protection (public and private)	9,794	13,756	3,962	40.45%
Other services and fees	1,340	1,499	159	11.86%
Late payment and other connection fees	589	649	60	10.11%
Miscellaneous	534	562	28	5.18%
	<b>174,617</b>	<b>220,337</b>	<b>45,720</b>	<b>26.18%</b>
<b>Operating expenditures</b>				
Water supply and treatment	16,146	16,376	230	1.42%
Water transmission and distribution	16,910	18,182	1,272	7.52%
Wastewater collection	15,530	15,071	(459)	(2.95%)
Stormwater collection	6,969	6,759	(210)	(3.02%)
Wastewater treatment	28,640	29,065	425	1.49%
Information and technology services	16,625	19,630	3,005	18.08%
Engineering services	5,813	5,466	(347)	(5.97%)
Environment, health and safety	5,359	5,065	(294)	(5.48%)
Customer services	5,186	5,295	109	2.09%
Corporate services	4,255	3,866	(389)	(9.15%)
Administration services	7,647	7,496	(151)	(1.97%)
Depreciation and amortization	39,924	44,651	4,727	11.84%
	<b>169,004</b>	<b>176,921</b>	<b>7,918</b>	<b>4.68%</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>5,613</b>	<b>43,416</b>	<b>37,803</b>	<b>673.43%</b>
<b>Financial and other revenues</b>				
Interest	468	250	(218)	(46.56%)
Other	617	700	83	13.42%
	<b>1,085</b>	<b>950</b>	<b>(135)</b>	<b>(12.45%)</b>
<b>Financial and other expenditures</b>				
Interest	323	450	127	39.45%
Interest on long term debt	12,291	13,426	1,135	9.23%
Repayment on long term debt	20,514	21,100	586	2.86%
Amortization of debt discount	279	305	26	9.21%
Dividend/grant in lieu of taxes	7,236	7,683	447	6.18%
Other	130	15	(115)	(88.48%)
	<b>40,773</b>	<b>42,979</b>	<b>2,206</b>	<b>5.41%</b>
<b>Earnings (loss) for the year</b>	<b>\$ (34,075)</b>	<b>\$ 1,387</b>	<b>\$ 35,462</b>	<b>(104.07%)</b>

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

	APR 1/25 MAR 31/26 BUDGET '000	APR 1/26 MAR 31/27 BUDGET '000	From 2025/26 Budget	
			\$ Change	% Change
<b>Operating revenues - Water</b>				
Water	\$ 56,210	\$ 78,850	\$ 22,640	40.28%
Public fire protection	8,083	10,933	2,850	35.25%
Private fire protection	1,711	2,824	1,113	65.02%
Bulk water stations	340	399	59	17.26%
Late payment and other connection fees	202	222	20	10.00%
Miscellaneous	234	254	20	8.64%
	<b>66,780</b>	<b>93,481</b>	<b>26,701</b>	<b>39.98%</b>
<b>Operating expenditures - Water</b>				
Water supply and treatment	16,146	16,376	\$ 230	1.42%
Water transmission and distribution	16,910	18,182	1,272	7.52%
Information and technology services	8,150	9,517	1,367	16.77%
Engineering services	2,017	1,999	(18)	(0.91%)
Environment, health and safety	1,576	1,472	(104)	(6.62%)
Customer services	2,645	2,700	55	2.09%
Corporate services	2,086	1,971	(115)	(5.49%)
Administration services	3,900	3,823	(77)	(1.97%)
Depreciation and amortization	15,127	17,297	2,171	14.35%
	<b>68,557</b>	<b>73,337</b>	<b>4,780</b>	<b>6.97%</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>(1,776)</b>	<b>20,145</b>	<b>21,921</b>	<b>(1234.00%)</b>
<b>Financial and other revenues</b>				
Interest	295	200	(95)	(32.32%)
Other	477	465	(12)	(2.52%)
	<b>772</b>	<b>665</b>	<b>(107)</b>	<b>(13.91%)</b>
<b>Financial and other expenditures</b>				
Interest on long term debt	5,484	5,910	426	7.77%
Repayment on long term debt	8,303	8,391	88	1.06%
Amortization of debt discount	119	130	11	8.81%
Dividend/grant in lieu of taxes	6,158	6,551	393	6.38%
Other	115	0	(115)	(100.00%)
	<b>20,179</b>	<b>20,982</b>	<b>803</b>	<b>3.98%</b>
<b>Loss for the year</b>	<b>\$ (21,183)</b>	<b>\$ (173)</b>	<b>\$ 21,011</b>	<b>(99.19%)</b>

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

	<b>APR 1/25 MAR 31/26 BUDGET '000</b>	<b>APR 1/26 MAR 31/27 BUDGET '000</b>	<b>From 2025/26 Budget</b>	
			<b>\$ Change</b>	<b>% Change</b>
<b>Operating revenues - Wastewater</b>				
Wastewater	\$ 90,770	\$ 104,907	\$ 14,137	15.57%
Leachate	323	350	27	8.36%
Septage tipping fees	572	640	68	11.89%
Overstrength surcharge	0	0	0	0.00%
Airplane effluent	105	110	5	5.00%
Late payment and other connection fees	207	227	20	9.73%
Miscellaneous	233	233	0	0.21%
	<b>92,210</b>	<b>106,467</b>	<b>14,257</b>	<b>15.46%</b>
<b>Operating expenditures - Wastewater</b>				
Wastewater collection	15,530	15,071	(459)	(2.95%)
Wastewater treatment	28,640	29,065	425	1.49%
Information and technology services	7,797	9,361	1,564	20.06%
Engineering services	2,823	2,495	(328)	(11.61%)
Environment, health and safety	1,763	1,593	(170)	(9.62%)
Customer services	2,338	2,390	52	2.24%
Corporate services	1,996	1,705	(291)	(14.59%)
Administration services	3,372	3,306	(66)	(1.96%)
Depreciation and amortization	20,850	23,341	2,491	11.95%
	<b>85,109</b>	<b>88,328</b>	<b>3,219</b>	<b>3.78%</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>				
	<b>7,101</b>	<b>18,139</b>	<b>11,038</b>	<b>155.44%</b>
<b>Financial and other revenues</b>				
Interest	172	50	(122)	(70.99%)
Other	140	235	95	67.62%
	<b>313</b>	<b>285</b>	<b>(28)</b>	<b>(8.82%)</b>
<b>Financial and other expenditures</b>				
Interest on long term debt	5,287	5,818	531	10.05%
Repayment on long term debt	9,942	10,340	398	4.00%
Amortization of debt discount	126	138	12	9.56%
Dividend/grant in lieu of taxes	898	942	44	4.93%
Other	15	15	0	0.00%
	<b>16,267</b>	<b>17,253</b>	<b>985</b>	<b>6.06%</b>
<b>Earnings (loss) for the year</b>				
	<b>\$ (8,853)</b>	<b>\$ 1,172</b>	<b>\$ 10,025</b>	<b>(113.23%)</b>

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

	APR 1/25 MAR 31/26 BUDGET '000	APR 1/26 MAR 31/27 BUDGET '000	From 2025/26 Budget	
			\$ Change	% Change
<b>Operating revenues - Stormwater</b>				
Stormwater site generated service	\$ 8,865	\$ 11,631	\$ 2,766	31.20%
Stormwater right of way service	6,515	8,485	1,970	30.23%
Late payment and other connection fees	180	199	19	10.67%
Miscellaneous	67	74	7	10.40%
	<b>15,627</b>	<b>20,388</b>	<b>4,761</b>	<b>30.47%</b>
<b>Operating expenditures - Stormwater</b>				
Stormwater collection	6,969	6,759	(210)	(3.02%)
Information and technology services	678	752	74	10.89%
Engineering services	973	972	(1)	(0.07%)
Environment, health and safety	2,020	2,000	(20)	(0.99%)
Customer services	203	204	1	0.47%
Corporate services	173	189	16	9.49%
Administration services	375	367	(8)	(2.05%)
Depreciation and amortization	3,948	4,013	65	1.65%
	<b>15,339</b>	<b>15,256</b>	<b>(82)</b>	<b>(0.54%)</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>288</b>	<b>5,132</b>	<b>4,843</b>	<b>1678.89%</b>
<b>Financial and other revenues</b>				
Interest	0	0	0	0.00%
Other	0	0	0	0.00%
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Financial and other expenditures</b>				
Interest	323	450	127	39.45%
Interest on long term debt	1,520	1,697	177	11.66%
Repayment on long term debt	2,269	2,369	100	4.41%
Amortization of debt discount	34	38	3	9.30%
Dividend/grant in lieu of taxes	180	190	10	5.52%
	<b>4,327</b>	<b>4,744</b>	<b>418</b>	<b>9.65%</b>
<b>Earnings (loss) for the year</b>	<b>\$ (4,038)</b>	<b>\$ 388</b>	<b>\$ 4,426</b>	<b>(109.60%)</b>

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

	APR 1/25 MAR 31/26 BUDGET '000	APR 1/26 MAR 31/27 BUDGET '000	From 2025/26 Budget	
			\$ Change	% Change
<b>REGULATED ACTIVITIES</b>				
<b>Operating revenues</b>				
Water	\$ 56,210	\$ 78,850	\$ 22,640	40.28%
Wastewater	90,770	104,907	14,137	15.57%
Stormwater	15,380	20,115	4,735	30.79%
Public fire protection	8,083	10,933	2,850	35.25%
Private fire protection	1,711	2,824	1,113	65.02%
Miscellaneous	1,463	1,609	146	9.97%
	<b>173,617</b>	<b>219,237</b>	<b>45,620</b>	<b>26.28%</b>
<b>Operating expenditures</b>				
Water supply and treatment	16,146	16,376	230	1.42%
Water transmission and distribution	16,910	18,182	1,272	7.52%
Wastewater collection	15,468	15,030	(437)	(2.83%)
Stormwater collection	6,969	6,759	(210)	(3.02%)
Wastewater treatment	27,725	28,246	521	1.88%
Information and technology services	16,625	19,630	3,005	18.08%
Engineering services	5,813	5,466	(347)	(5.97%)
Environment, health and safety	5,359	5,065	(294)	(5.48%)
Customer services	5,146	5,253	107	2.09%
Corporate services	4,242	3,853	(389)	(9.18%)
Administration services	7,510	7,358	(152)	(2.02%)
Depreciation and amortization	39,887	44,631	4,744	11.89%
	<b>167,800</b>	<b>175,848</b>	<b>8,049</b>	<b>4.80%</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>5,817</b>	<b>43,389</b>	<b>37,571</b>	<b>645.84%</b>
<b>Financial and other revenues</b>				
Interest	468	250	(218)	(46.56%)
Other	17	0	(17)	(100.00%)
	<b>485</b>	<b>250</b>	<b>(235)</b>	<b>(48.44%)</b>
<b>Financial and other expenditures</b>				
Interest	323	450	127	39.45%
Interest on long term debt	12,291	13,426	1,135	9.23%
Repayment on long term debt	20,514	21,100	586	2.86%
Amortization of debt discount	279	305	26	9.21%
Dividend/grant in lieu of taxes	7,236	7,683	447	6.18%
	<b>40,643</b>	<b>42,964</b>	<b>2,321</b>	<b>5.71%</b>
<b>Earnings (loss) for the year - Regulated</b>	<b>\$ (34,341)</b>	<b>\$ 674</b>	<b>\$ 35,015</b>	<b>(101.96%)</b>

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

	APR 1/25 MAR 31/26 BUDGET '000	APR 1/26 MAR 31/27 BUDGET '000	From 2025/26 Budget \$ Change    % Change	
<b>UNREGULATED ACTIVITIES</b>				
<b>Operating revenues</b>				
Septage tipping fees	\$ 572	\$ 640	\$ 68	11.89%
Leachate	323	350	27	8.36%
Airplane effluent	105	110	5	5.00%
Miscellaneous	0	0	0	0.00%
	<b>1,000</b>	<b>1,100</b>	<b>100</b>	<b>10.03%</b>
<b>Operating expenditures</b>				
Water supply and treatment	0	0	0	0.00%
Wastewater treatment	915	820	(95)	(10.40%)
Wastewater collection	62	41	(21)	(34.48%)
Sponsorships and donations	80	82	2	3.00%
Corporate services	13	13	0	0.00%
Administration services	97	97	0	0.00%
Depreciation and amortization	37	20	(17)	(45.95%)
	<b>1,204</b>	<b>1,073</b>	<b>(131)</b>	<b>(10.90%)</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>(204)</b>	<b>27</b>	<b>231</b>	<b>(113.46%)</b>
<b>Financial and other revenues</b>				
Other - leases and rentals	326	329	4	1.17%
Other - WW contract revenue	40	160	120	300.00%
Other - energy projects	235	211	(24)	(10.23%)
	<b>600</b>	<b>700</b>	<b>100</b>	<b>16.63%</b>
<b>Financial and other expenditures</b>				
Other	130	15	(115)	(88.48%)
	<b>130</b>	<b>15</b>	<b>(115)</b>	<b>(88.48%)</b>
<b>Earnings for the year - Unregulated</b>	<b>\$ 266</b>	<b>\$ 712</b>	<b>\$ 447</b>	<b>167.89%</b>
<b>Total earnings (loss) for the year (Regulated and Unregulated)</b>	<b>\$ (34,075)</b>	<b>\$ 1,387</b>	<b>\$ 35,462</b>	<b>(104.07%)</b>

# 2026/27 Business Plan on a Page



## People

### Objective

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

### Annual Business Goals for 2026/27

- Track the implementation progress of the Psychological Health and Safety strategy and incorporate it into the safety management system.
- Continue to enhance career development through a leadership framework that offers opportunities for self-improvement and sets a clear understanding of roles and expectations that empower and embody leadership at Halifax Water.
- Begin implementing the Strategic Recruitment and Attraction plan, with priority initiatives for 2026/27.
- Identify and provide development opportunities for future leaders, including establishing a mentorship program for those potentially moving into leadership positions.
- Develop and launch a framework to identify and mitigate potential resource gaps related to critical roles.
- Define key metrics for succession planning and establish processes for monitoring and reporting.



## Environment, Health, Safety & Social Responsibility

### Objective

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

### Annual Business Goals for 2026/27

- Improve the Occupational Health and Safety (OHS) program by updating the OHS manual, enhancing incident reporting, and implementing safety metric measurement and tracking.
- Begin implementing enhanced Fire Safety audits across all facilities by.
- Develop the first draft of the centralized Halifax Water Security Plan.
- Implement elements of the Electrical Safety program, including training, inspections, updated safe work practices, and electrical safety studies.
- Execute activities identified in the Emergency Management Strategic Plan (for fiscal 2026/27).
- Continue to enhance Halifax Water's cyber security preparedness by establishing measurable performance indicators, addressing ongoing Municipal Auditor General (MAG) recommendations and completing year 2 of the Halifax Water compliance roadmap.
- Develop an adaptive planning framework for the municipal drinking water supply.
- Assess the existing dam management program to develop and implement a formal Dam Safety Management System that integrates into the integrated management system.
- Review the current approach to water loss control, develop a plan to improve water loss in the system, and begin implementing short-term actions.
- Explore opportunities for Demand Side Management.
- Enhance education and awareness plans, as well as internal processes and procedures, for various customer-related programs to increase customer compliance.
- Develop a framework for a water service Backflow Prevention Retrofit program.



## Financial & Regulatory Compliance

### Objective

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

### Annual Business Goals for 2026/27

- Advance the IRP Update Project, including system analysis and the development of regional servicing strategies.
- Continue improvements to capital project planning and delivery through process and software development.
- Enhance financial management processes to better inform budget, capital investment, and debt strategies.
- Address gaps identified from a review of Halifax Water's regulatory processes to help enhance the corporate governance framework and align with Industry best practices.
- File a General Rate Application for test years 2027/28 and 2028/29, to comply with NSRAB Directives to recover operating expenses, and maintain, repair, and upgrade aging infrastructure to ensure safe and reliable service, and to address financial deficit.



## Operational Effectiveness

### Objective

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

### Annual Business Goals for 2026/27

- Improve Operational Resiliency through an enhanced Quality Management System (QMS) for both water and wastewater service delivery.
- Continue to address corrective actions identified from the Boil Water Advisories and the Operational Resilience Program, with completion of the medium-term corrective actions.
- Develop a project delivery strategy for upcoming major capital projects (Water Supply Project Upgrades and Mill Cove Wastewater Treatment Facility).
- Develop standardized approaches for key Integrated Management System (IMS) processes and define continual improvement pathways using a certification-readiness framework.
- File an update to the Regional Development Charge (RDC) with the NSRAB, including the following: capital requirements, benefits to existing customers, and approaches to improving demand-side management.
- Align with provincial & municipal development intensification planning to understand the mid to long-term impacts on water, wastewater and stormwater infrastructure.
- Establish a foundational framework for Halifax Water that defines core services, service users, and service attributes, enabling identification of gaps and the required data to measure customer-focused Levels of Service (LOS).
- Establish a strategy and implementation plan for data analytics, automation, and AI that support organizational objectives and enhance operational efficiency.

# Halifax Water 2030 - Empowering People, Transforming Services

**5-year Strategy**

**5-year Objectives**

## Annual Business Plans

2025/26

2026/27

2027/28

2028/29

2029/30

## Defining Goals and Success

Strategic Goals

5-year Strategic Initiatives

Annual Goals

Rationale

Impact

Timing