
REPORT TITLE: **Water Bill Adjustment Program Update**

FROM: Kealy Dedman, P.Eng., MPA, Commissioner of Public Works

RECOMMENDATION

That the Water Bill Adjustment Program, as described in the report of the Commissioner of Public Works, listed on the November 13, 2025 Regional Council agenda titled “Water Bill Adjustment Program Update”, be approved to become permanent as of January 1, 2026.

REPORT HIGHLIGHTS

- Each year, the Region receives approximately 2,500 complaints about unexpected high-water bills from residents. When there is an undetected leak or unintentional water use, residential customers can often be faced with a high-water bill that is significantly above their normal bill.
- Most single-unit residential customers are billed quarterly, and as a result, they are often not aware of unusually high-water use for several months.
- The High Water Bill Adjustment Pilot Program was implemented in June 2022 and offers financial assistance for customers with unexpected high-water bills due to leaks.
- Based on the success of the pilot program, staff recommend that it is approved to become permanent, with one minor change. The criteria for minimum bill qualification will be removed to enable low-water users and bills less than \$250, to qualify for the program. This program will continue to be evaluated as AMI technology is implemented.

DISCUSSION

1. Background

Each year, the Region receives approximately 2,500 complaints about unexpected high-water bills from residents. When there is an undetected leak or unintentional water use inside the home or within the property line to the home, residential customers can often be faced with a high-water bill that is significantly above their normal bill. This represents less than one per cent of all residential accounts.

Most single-unit residential customers are billed quarterly, and as a result, they are often not aware of unusually high-water use for several months. This delayed notification impacts a customer’s ability to remedy the situation, which can lead to a significantly high bill and an unexpected financial burden.

Residents with an unexpected high-water bill are currently provided with an option for a flexible payment plan. However, the Region did not have a program to provide financial relief to customers. Based on an industry scan, best practice is to either have a system in

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place that can detect high-water use and potential leaks in a timely manner, or to have a water bill adjustment program to provide financial relief for unexpected high-water bills.

2. Water Bill Adjustment Program

a) Pilot program summary

The High Water Bill Adjustment Pilot Program was implemented in June 2022 and continues to provide financial relief to customers who face unexpected high-water bills. Data analysis was conducted for the pilot period between June 2022 – September 2025.

The total amount of bill credits that were approved over the period is approximately \$1.6 million. The average credit granted is \$641 per customer, and the total application approval rate is 63 percent, with 2,509 successful applicants out of a total of 3,944. The most common reason that customers experienced qualifying high-water bills, approximately 81 percent of all approved applications, was due to toilet leaks.

b) Advanced Metering Infrastructure

The next advancement in metering technology is known as Advanced Metering Infrastructure (AMI), which leverages wireless cell networks and AMI-compatible meters to fully automate the water meter reading process.

With AMI, customers will be able to monitor their water usage in real-time and set alerts for high-water use and proactive leak detection. The Region is currently upgrading residential water meters with AMR (Automatic Meter Reading) meters that are AMI-compatible. AMI will provide customers with more frequent, real-time metered water consumption data. However, the capital costs of installing cell towers as well as the operational impacts on billing frequency, technology transitions, and customer service changes outweigh the potential benefits at this point.

Staff have conducted an AMI feasibility study that evaluated the infrastructure costs, technology upgrades, operating and environmental impacts, and improved service level benefits. The capital cost of AMI implementation is conducive to implementation and will occur once the existing AMR metering equipment service life is exhausted. Best practices are for AMI to be implemented in the future, and staff recommend that a follow-up feasibility study be conducted within the next five years.

3. Permanent program

The High Water Bill Adjustment Pilot Program offers financial assistance for customers with unexpected high-water bills due to leaks. Staff evaluated the feasibility of outsourcing this program through a third party; however, this option was more costly and disruptive to the customer service experience.

Staff recommend that this pilot program be approved to become permanent, with one minor change. The criteria for minimum bill qualification will be removed to enable low-water users and bills less than \$250 to qualify for the program. This program will continue to be evaluated as AMI technology is implemented.

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RISK CONSIDERATIONS

The total cost of the program was assessed based on a two-year period. There is the risk of receiving an increasing number of applications and approvals over time, which would result in higher total credits being issued and an overall higher program cost.

BILL 45 RISKS AND IMPLICATIONS

On June 4, 2025, Bill 45, the *Peel Transition Implementation Act, 2025*, was introduced by the provincial government. If passed as currently worded, Bill 45 will transfer jurisdiction over regional roads, including related stormwater infrastructure, from Peel Region to Mississauga, Brampton and Caledon on July 1, 2026. Jurisdiction over waste collection services from Peel Region to the three lower-tier municipalities is scheduled to transfer on January 1, 2026 in accordance with Bill 45 if passed, unless the Minister prescribes a different date before January 1, 2026.

Notwithstanding the introduction of Bill 45, Regional Council passed Resolution No. 2025-621 on September 11, 2025 approving October 1, 2027 as the date for the transfer of waste collection responsibilities to the local municipalities in accordance with the requirements of the *Municipal Act, 2001*. This information has been provided to the Province. Staff will monitor any developments as they relate to Bill 45 and will report back to Council when additional details become available.

FINANCIAL IMPLICATIONS

The total cost of the pilot program which includes one (1) contract staff position, is being funded from the Utility Rate Stabilization reserve. To continue administering the program, the existing one (1) contract staff has been extended to the end of 2025.

The total cost of the permanent program starting on January 1, 2026 is estimated to be \$917,000 annually, which includes both credits to customers and staffing for two (2) full-time employees (FTEs). The existing contract position is proposed to be converted to a permanent FTE, and one additional FTE is required to administer the water bill adjustment program. The associated cost and resource requirements will be brought forward for Council's consideration as part of the 2026 budget submission.

The program cost has been included as part of the 2026 Water and Wastewater operating budget and will have a direct impact on the annual utility rate going forward. The cost equates to a 0.20 percent increase on the water and wastewater rate and has been incorporated as part of the 2026 budget submission.

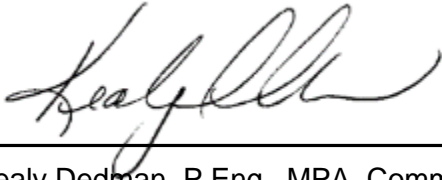
CONCLUSION

The Water Bill Adjustment Program offers financial assistance for residential customers with unexpected high water bills due to leaks. The Region will reassess the feasibility of Advanced Metering Infrastructure in five (5) years. This metering technology will allow customers to monitor their water usage in real-time and set alerts for high-water use and proactive leak detection.

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APPENDICES

Appendix I – Water Bill Adjustment Program



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