

2027 Utilities Budget

September 29, 2026

Background

On September 29, Council will approved the 2027 Utilities Budget.

1. What is the Utilities Budget?

The Utilities Budget sets the revenue required to pay for the anticipated expenses for essential services in Red Deer, including our electricity utility, water treatment and distribution, wastewater collection and treatment, and waste management services.

2. Is the Utilities Budget approved?

Yes, Council approved the Utilities Budget on September 29 after a public debate.

3. Does the Utilities Budget include proposed rate changes?

No. The Utilities Budget establishes the revenue required to operate, maintain and invest in utility services. If Council approves the budget, Administration will then develop utility rates designed to collect the revenue needed to support that budget. Proposed utility rates will be presented to Council through the Utility Rate Bylaw process later this fall.

4. What are the major priorities in the proposed Utilities Budget?

The proposed budget includes investments to support:

- Reliable utility service delivery
- Infrastructure renewal and replacement
- Utility modernization initiatives
- Long-term sustainability of utility systems

5. Are utility rates the same as property taxes?

No. Utility services operate differently than many City services. Water, wastewater, electricity and waste management services are primarily funded through user rates and fees paid by customers who use those services.

Property taxes support a different set of municipal services, including roads, parks, transit, recreation facilities, emergency services and other community programs.

This means utility rates help pay for the operation, maintenance and renewal of utility infrastructure, while property taxes help fund a broader range of municipal services used throughout the community.

6. What is MCAF?

The Municipal Consent and Access Fee (MCAF) is a fee charged through utility bills that compensates The City for the use of municipal land and rights-of-way by utility infrastructure.

On September 1, 2026, Council approved changes to MCAF for water, wastewater and electric utilities. The approved change will be reflected through future utility rate discussions and approvals.

You can learn more here: [Council approves MCAF changes to support future infrastructure investment](#)

7. How much will the proposed Utilities Budget impact the average residential customer?

The Utilities Budget establishes the revenue required to operate, maintain and invest in utility services. Now that the Utilities Budget is approved, Administration will develop utility rates designed to collect the revenue needed to support the budget. Final utility rates will be considered separately through the Utility Rate Bylaw process later this Fall.

Based on the proposed budget and current assumptions, Administration estimates the average residential customer could see the following monthly impacts:

- Electric Utility: approximate increase of \$4.11/month for an average residential customer
- Water Utility: approximate increase of \$2.61/month for an average residential customer (17³m per month)
- Wastewater Utility: approximate increase of \$4.90/month for an average residential customer (17³m per month)
- Waste Management Landfill: approximately \$3.94 for an average residential customer
- Waste Management Collection: approximately \$0.56/month

These are estimates only. Actual impacts will vary based on consumption and service usage and remain subject to Council approval through both the budget and Utility Rate Bylaw processes. This does not include the previously approved increase to MCAF.