

# Staff Report



To	Committee of the Whole
Service Area	Infrastructure, Development and Environment
Date	Tuesday, October 7, 2025
Subject	<b>Utility Billing Project Status and Customer Accounts By-law Update</b>

## Recommendation

1. Receive the report Utility Billing Project Status and Customer Accounts By-law update.
2. That the Utility Billing and Collections Customer Accounts by-law, as authority for in-house processing of billing and collections, be brought to Council in Q1, 2026.
3. That the Stormwater by-law (2023)-20839, be amended by by-law (2025)-21108, at the October 28, 2025 Council Meeting.

## Executive Summary

### Purpose of Report

To provide information regarding the Utility Billing Project Status and adopt the amended stormwater rates by-law. This report advises of the forthcoming by-law to establish a framework for in house utility billing and collections and the management of customer accounts for the billing and collection of water, wastewater, stormwater, and other related charges which is also referred to collectively as water billing.

This report and presentation are being brought forward to Council to provide context and insight ahead of upcoming actions, offering a preview of what is anticipated in 2026.

### Key Findings

- The City is currently transitioning water billing and collections to an in-house function using Central Square Technologies Utility Billing system.
- Guelph's conversion date is set at the end of May 2026.
- User fees will be established through the annual budget process and assist in offsetting overall costs
- Previous reports provided to Council, [Utility Billing Transition Report](#) and [Water, Wastewater and Stormwater Billing Report](#).

## **Utility Billing and Collections Customer Accounts By-law, Q1- 2026**

- Staff are working toward the transition of water billing and collections from Alectra Utilities Inc. (Alectra) to an in-house function within the City.
- The previous by-law designated Alectra as the billing agent, but this appointment will no longer apply with the transition.
- The customer accounts by-law is necessary to provide a framework to facilitate the in-house water billing and collections, and the previous by-law is to be repealed.
- This by-law incorporates legislation from the Municipal Act, 2001, specifically Sections 391, 398, and 446, to establish standards related to billing and collections including transfer to tax accounts of unpaid water billing arrears for collection purposes.
- Authority and terms are defined as they relate to the application, account types, account holder responsibilities, and general account standards including that accounts would be held in the property owner's name.
- It provides information on water meter management and consequences for non-compliance.
- The previous water and wastewater customer accounts by-law (2016) -20074 will be repealed.

## **Stormwater By-law Amendment (2025) 21108**

- The stormwater by-law outlines the monthly fees for billing and collection of stormwater service.
- For clarity and transparency, the amendment will confirm that monthly billing is calculated based on a thirty (30) day month.

## **Strategic Plan Alignment**

This report aligns with initiative 4.1 of the Foundations theme of the Future Guelph Strategic Plan by continuing to implement financial policies and practices to support a sustainable long-term financial position for the City. Appropriate billing and collections activities helps to ensure an effective, fiscally responsible, and trusted local government.

## **Future Guelph Theme**

Foundations

## **Future Guelph Objectives**

Foundations: Maintain the City's healthy financial position

## **Financial Implications**

The financial implications of the updated by-laws relate to user fees for Utility Billing and Collections services with an estimated revenue forecast of \$150 thousand for 2026 and \$300 thousand for 2027 assisting in offsetting overall billing and collection expenses.

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## **Report**

In August 2021, Alectra notified the City that water billing would no longer be part of their core business. Consequently, it was decided that bringing this service in-house was the best option. By October 2024, a staff report confirmed that in-house

utility billing was the optimal choice, as it aligned with business objectives such as sustainability, cost efficiency, customer experience, leveraging existing technology, and ensuring a smooth transition.

All parties are working towards the end of May 2026 conversion time frame. This allows for comprehensive data validation and testing, ensuring a smoother and more reliable transition.

The previous by-law, which designated Alectra as the billing agent, will no longer be applicable. Therefore, a new customer accounts by-law is required to facilitate the in-house processes of the Utility Billing and Collections department, and the previous by-law will be repealed. The Utility Billing and Collections Customer Accounts By-law shall be applicable to all properties that receive water, wastewater, and stormwater services from the City of Guelph.

### **Utility Billing and Collections Customer Accounts By-law, Q1-2026**

The Utility Billing and Collections Customer Accounts by-law provides the authority for in-house activities and sets standards for a structured and efficient system for managing water billing and collections accounts. It will ensure compliance while maintaining transparency and accountability. This by-law serves as a structured approach to managing customer accounts and addressing concerns. It outlines the application and types of accounts, responsibilities of account holders, and general standards for account management. Additionally, it provides standards on water meter operations and rate structures to ensure accurate and consistent billing.

This by-law incorporates legislation from the Municipal Act, 2001, specifically Sections 391, 398, and 446, to establish billing for services provided to properties. It also states the legislation and authority for collecting arrears through transfers to the property tax account.

This by-law authorizes the implementation of user fees for specific customer-initiated account changes that result in administrative actions. These fees are charged directly to the account holder requesting the service and are intended to recover the costs associated with delivering that service.

Under the former by-law (2016) -20074, a by-law to regulate customer accounts for Water and Wastewater services, which authorized Alectra Utilities as a billing agent for the City of Guelph, permitted Alectra to charge user fees based on its own internal fee schedule. As part of the transition to in-house billing and collections, the user fee structure is aligned with existing municipal user fee schedules, ensuring consistency and transparency.

For example, when a customer moves into or out of a property, a change of occupancy fee will apply. Utility billing staff must process account updates, including setting up new accounts, updating customer information, and closing accounts for previous occupants.

In cases where water charges remain unpaid, the outstanding balance may be transferred to the property tax account. This process is subject to a transfer to taxes administrative fee, which is designed to recover the costs associated with performing this administrative collection action. Customers whose accounts are paid in full are not subject to this transfer or the associated fee.

Other user fees may apply for specific account-related actions, including but not limited to:

- Returned payments from financial institutions
- Missed water meter appointments
- Water service disconnection or reconnection

These user fees ensure that the costs of individual service requests are borne by the requesting customer, rather than being distributed across all account holders. Specific user fees will be set through the budget process.

Additionally, consequences for non-compliance with the customer accounts by-law will be outlined, including enforcement and fines, and are aligned with by-law (2024)-20910, which regulates the supply of water in the City of Guelph.

With the transition of water billing and collections in-house it has been identified that efficiencies in billing and collections can be achieved through the requirement that all new accounts and existing accounts with a change of occupancy (or upon request) would be set up only in the property owner's name and not in a tenant's name. This will ensure transparency for the property owner who is ultimately legally responsible for any water billing arrears.

This by-law will come forward in Q1 of 2026 to set the framework of in-house water billing.

### **Stormwater By-law Amendment (2025) -21108**

Following the transition of billing and collection to in-house, the City will continue to impose fees and charges on residents for stormwater services and activities as outlined in Schedule A of by-law (2023-20839). These fees and charges will be billed monthly to property owners, along with water, wastewater, and other charges.

To ensure clarity and transparency, the amendment to Schedule A confirms that monthly billing is calculated based on a thirty (30) day month.

### **Financial Implications**

The financial implications of the updated by-laws are related to user fees for Utility Billing and Collections services with an estimated revenue forecast of \$150 thousand for the part year of 2026 and \$300 thousand for 2027 assisting in offsetting overall billing and collection expenses. These estimates will be included in the 2026 updated budget and the 2027 updated forecast through the 2026 budget confirmation process.

### **Consultations and Engagement**

Internal Departments:

- Environmental Services
- Finance
- Legal
- Engineering and Transportation Services
- Strategic Communications and Community Engagement

## **Attachments**

Attachment-1 UB Presentation

## **Departmental Approval**

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