

TOWN OF LUNENBURG ELECTRIC UTILITY
2026/27 BUDGET
(Approved May 13, 2026)

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		ELECTRIC UTILITY OPERATING BUDGET			
			2026/27	2025/26	2024/25
ACCOUNT #	Notes	DESCRIPTION	Budget	Budget	Actuals
		Revenue			
		Operating Revenue			
07-1-51-1000	2	Domestic Service	\$ 4,140,900	\$ 3,548,000	\$ 3,542,617
07-1-51-2000	3	General Service - Small	187,900	179,700	155,667
07-1-51-2500	3	General Service - Demand	2,589,500	2,284,300	2,222,094
07-1-51-3000	4	General Service (IND)	1,584,200	1,308,100	1,184,670
07-1-51-4000	5	Street Lighting	189,000	150,100	146,064
07-1-51-5000		Misc. Electric Light	10,000	9,400	6,434
07-1-51-6000	6	Late Payment Interest	50,000	36,400	54,579
07-1-51-7000	7	Pole Attachment Fees	43,000	29,100	29,431
07-1-51-8000	8	69 KV Line Lease	63,000	60,300	56,511
		Total Operating Revenue	8,857,500	7,605,400	7,398,067
		Non-Operating Revenue			
07-1-52-1000	9	Sale of Service - Permits	25,000	20,800	21,569
07-1-52-1010	9	Sale of Service - Jobbing & Contract	4,000	7,800	3,500
07-1-52-3000		Interest Revenue	10,000	12,500	20,113
		Total Non-Operating Revenue	39,000	41,100	45,182
		Total Revenue	\$ 8,896,500	\$ 7,646,500	\$ 7,443,249
		Expenditures			
		Power Purchases			
07-2-61-1000	10	Power Cost - NSPI	\$ 6,601,000	\$ 6,325,900	\$ 6,128,880
		Substations			
		Substations (3)			
07-2-62-1100	11	Labour-Utility (field crews)	34,900	27,100	26,527
07-2-62-1200	12	Repairs & Maintenance	20,000	20,800	7,949
07-2-62-1300	13	Transformer Testing	-	-	-
07-2-62-1500		Substation Insurance	13,800	13,000	12,380
			68,700	60,900	46,856
		Operation & Maintenance			
		Superintendence			
07-2-63-1100	11	Labour-Utility (field crews) + TOL standby	168,700	288,300	131,110
07-2-63-1200	14	Telephone/ Cellular/ Internet	7,550	7,300	7,219
07-2-63-1400		Radio Repairs/License	250	200	152
		Overhead			
07-2-63-2100	11	Labour-Utility (field crews)	101,700	78,900	78,372
07-2-63-2310	15	Vegetation MGMT-Contractor	104,000	104,000	32,597
07-2-63-2600		Contracted Repairs/Flagmen	2,100	2,100	-
		Poles & Fixtures			
07-2-63-3100	11	Labour-Utility (field crews)	16,200	12,600	12,298
07-2-63-3200		Supplies	1,500	1,600	-
		Services			
07-2-63-4100	11	Labour-Utility (field crews)	37,800	29,300	29,097
07-2-63-4200		Supplies	3,000	3,100	1,951
		Streets & Highway Lighting			
07-2-63-5100	11	Labour-Utility (field crews)	34,200	26,500	28,508
		Maintenance of Building			
07-2-63-6200		Fuel	10,000	5,200	6,700
07-2-63-6300		Electric	1,500	1,100	591
07-2-63-6310		Water	600	500	397
07-2-63-6320		Sewer	1,300	1,000	1,402
07-2-63-6400	16	Repairs & Maintenance	6,000	3,100	4,684
07-2-63-6600	17	Rental- Victoria Road Building	5,000	5,000	5,000
		Customer Premises Expenses			
07-2-63-7100		Electrical Inspections	25,000	20,800	20,961
			526,400	590,600	361,039
		Transformers			
		Setting and Removing			
07-2-64-1100	11	Labour-Utility (field crews)	3,900	3,000	2,947
		Maintenance of Transformers			
07-2-64-2100	11	Labour-Utility (field crews)	4,600	3,600	3,557
07-2-64-2150	18	Contracted Repairs	78,000	78,000	16,300
			86,500	84,600	22,804

ELECTRIC UTILITY OPERATING BUDGET					
			2026/27	2025/26	2024/25
ACCOUNT #	<i>Notes</i>	DESCRIPTION	Budget	Budget	Actuals
		<i>Meters</i>			
		<i>Setting and Removing Meter</i>			
07-2-65-1100	11	Labour-Utility (field crews)	9,900	7,700	7,521
		<i>Testing Meters (Expenses)</i>			
07-2-65-2100	11	Labour-Utility (field crews)	15,700	12,200	11,891
		<i>Maintenance of Meters</i>			
07-2-65-4200		Supplies	1,000	1,000	922
			26,600	20,900	20,334
		<i>General Overhead</i>			
		<i>Supervision</i>			
07-2-66-1100	19	Portion FD Salary	7,500	7,400	5,790
		<i>Contracts</i>			
07-2-66-2100	19	Portion of Town Office Salaries	23,800	22,400	20,852
			31,300	29,800	26,642
		<i>Accounting</i>			
		<i>Accounting Supervision</i>			
07-2-67-1100	19	Portion FD Salary	11,200	11,100	8,727
		<i>Revenue Accounting</i>			
07-2-67-2100	19	Portion of Town Office Salaries	79,000	78,900	75,258
		<i>Plant Accounting</i>			
07-2-67-3100	19	Portion of Town Office Salaries	55,600	52,100	49,717
		<i>Billing</i>			
07-2-67-4100	19	Portion of Town Office Salaries	55,600	52,100	49,749
07-2-67-4200		Supplies	17,000	13,000	14,852
		<i>Auditing</i>			
07-2-67-5100		Audit Fees	7,300	7,300	7,000
		<i>Collecting</i>			
07-2-67-6050	21	Electronic Banking Services	5,200	5,200	5,298
07-2-67-6100	19	Portion of Town Office Salaries	23,800	22,400	20,900
07-2-67-6200		Postage	16,000	16,000	12,000
07-2-67-6300		Collection Costs (Small Claim Fees)	1,000	1,000	124
		<i>Meter Reading</i>			
07-2-67-7100	20	Labour	49,100	46,800	54,967
			320,800	305,900	298,592
		<i>General</i>			
		<i>Supervision</i>			
07-2-68-1100	19	Portion CAO & Clerk Salaries + admins	61,400	69,900	48,801
07-2-68-1200	22	Council Honorariums	41,000	38,600	36,079
07-2-68-1400	23	Council Conventions/Training	5,500	3,700	3,750
		<i>Professional Services</i>			
07-2-68-2100	24	Engineering	52,000	52,000	15,945
07-2-68-2200		Legal Fees	35,000	41,600	18,679
07-2-68-2210	25	Communications	17,500	10,400	11,472
07-2-68-2300		Payroll Administration	1,500	1,500	1,500
		<i>Advertising</i>			
07-2-68-3100	26	Power Interruptions & Promotions	3,000	2,600	353
		<i>Uncollectible Bills</i>			
07-2-68-4100	27	Provision - Uncollectible Accts.	20,000	15,000	38,014
		<i>Rentals, Lights, etc.</i>			
07-2-68-5100		Office Rental - Town	10,200	10,200	10,200
07-2-68-5200		Supplies/Printing/Paper	20,000	17,700	16,598
07-2-68-5300		Postage	16,000	16,000	12,000
07-2-68-5600	28	Maint & Contract - Computer	50,000	43,700	36,544
07-2-68-5700		Lease - Postage Meter	5,000	2,100	3,035
07-2-68-5800		Service Charges - Photocopier	6,000	4,500	4,619
		<i>General Insurance</i>			
07-2-68-6600	29	Insurance	20,800	20,800	19,893

ELECTRIC UTILITY OPERATING BUDGET					
			2026/27	2025/26	2024/25
ACCOUNT #	<i>Notes</i>	DESCRIPTION	Budget	Budget	Actuals
		<i>Employee Welfare</i>			
07-2-68-9200	30	Employment Benefits	73,400	70,100	61,242
07-2-68-9300		Clothing/Safety	500	500	-
07-2-68-9400		Other Employee Benefits	1,000	2,000	1,000
07-2-68-9450		Meeting - Travel/Expense	1,500	1,500	299
07-2-68-9500	31	Training and Memberships	7,500	10,400	2,168
07-2-68-9600		Meeting Supplies	4,000	3,100	3,409
			452,800	437,900	345,600
		<i>Office Supplies/Expenses</i>			
07-2-69-1100		Telephone - Town Hall	3,000	2,100	2,963
07-2-69-1200		Fax Machine	500	500	436
07-2-69-1350	33	Small Capital - Office Equipment	15,000	15,000	11,585
		<i>Regulatory Comm. Expense</i>			
07-2-69-3100	34	BD. of Public Utilities	11,300	8,300	8,595
07-2-69-3200	35	Consultant Fees	35,000	35,000	-
			64,800	60,900	23,579
		Department Total	\$ 8,178,900	\$ 7,917,400	\$ 7,274,326
		<i>Depreciation</i>			
07-2-70-2100	36	Depreciation Expense	427,200	427,200	209,834
		<i>Interest on Consumer Deposits</i>			
07-2-70-3100		Accrued Interest Expense	500	500	3,819
		<i>Interest on Long-Term Debt</i>			
07-2-70-4100	37	Borrowing Interest	117,200	27,800	3,378
		<i>Debt Repayment</i>			
07-2-70-5100	37	Long-Term Debt Principal	148,200	133,000	100,000
		Department Total	\$ 693,100	\$ 588,500	\$ 317,031
		<i>Transfers to Other Funds</i>			
		<i>Capital Reserves</i>			
07-2-80-1200		Trf. To (from) Capital Reserve	-	-	-
		Department Total	\$ -	\$ -	\$ -
07-2-90-0100		Surplus (Deficit)	\$ 24,500	\$ (859,400)	\$ (148,108)
		Section Total			
		Total Expenditures	\$ 8,896,500	\$ 7,646,500	\$ 7,443,249
		Budget Change	\$ 1,250,000		
			16.3%		

NOTES TO ELECTRIC UTILITY BUDGET

1. Currently the Utility’s kWh consumption rate for power purchases is \$0.11598 plus riders. The Utility’s current peak ratchet monthly demand cost for kVa is \$138,185. The Utility’s current demand rate is \$10.928. The Utility receives a \$0.32 per kVa discount in demand costs for owning its own substation (see table below).

	2026/27 Budget	2025/26 Budget	2024/25 Actual
Purchases (kWh)	43,053,348	42,847,092	41,901,169
Sales (kWh)	40,416,779	41,291,357	40,329,765
Purchases as % Sales	106%	104%	104%
Billed Demand (kVa) monthly	10,542	10,423	9,716

kWh: Kilowatt hour - the basic measurement of power per hour.

kVa: Kilovolt amperes – the basic unit for measurement of apparent power. It is the greatest amount of power, averaged over a 15 minute period, supplied to the Town during the billing period of December, January or February. It is adjusted annually and billed at highest kVa for following year.

Date	Time	Peak (kVa)
January 16, 2012	8:30 am	8,673
January 24, 2013	8:30 am	9,429
January 2, 2014	5:30 pm	9,982
February 11, 2015	9:00 am	9,520
January 13, 2016	10:00 am	9,800
December 16, 2016	5:45 pm	9,947
January 2, 2018	6:45 pm	9,338
February 27, 2019	8:00 am	9,842
February 21, 2020	8:15 am	9,632
February 12, 2021	9:30 am	9,163
January 12, 2022	9:00 am	9,947
February 4, 2023*	6:00 pm	10,171
February 21, 2024	8:00am	9,716
February 6, 2025	8:30am	10,423
January 30, 2026	8:30am	10,542

The Town’s Electric Utility has approximately 2,300 customers in various rate classifications as noted below.

*Historical low temperatures.

2. #07-1-51-1000 Domestic Service

Budget based on projected sales and existing rates. There are approximately 1,900 customers billed under the Domestic Service rate. There are currently 19 customers billed under the Domestic Service Time-of-Day rate. There are currently 45 customers billed under the Self Generation Offset (SGO) rate.

3. #07-1-51-2000 & 07-1-51-2500 General Service

Budget based on projected sales and existing rates. There are approximately 200 Small General customers and approximately 200 General Service customers billed under General Service.

4. #07-1-51-3000 Industrial

Budget based on projected sales and existing rates. The Town has 3 customers billed under this rate.

5. #07-1-51-4000 Street Lighting

Budget based on projected sales and existing rates. The Town has approximately 60 customers billed under this rate.

6. #07-1-51-6000 Late Payment Interest

Interest revenue is based on 1.5% per month on outstanding balances.

7. #07-1-51-7000 Pole Attachment Fees

An agreement with Maritime Tel & Tel was reached in 1987. Ratio of pole ownership to be shared at 60% Utility, 40% Bell Aliant (formerly MT&T). At that time there were 592 poles (60% Utility = 355 and 40% Aliant = 237). Aliant has not maintained their 40% ownership and pole attachment fees are charged for the difference. Currently there are approximately 1,128 poles. Aliant is charged for the number of poles over the Utility's original 355 (773 poles).

This revenue budget includes attachment fees of \$22.00 per pole for Eastlink Cable (1,169 poles = \$25,718) and Bell Aliant (773 poles = \$17006).

8. #07-1-51-8000 69 KV Line Lease

Lease agreement with High Liner Foods Inc. to lease our 69 KV line for power supplied by Nova Scotia Power Inc. The lease last renewed in October 2020.

9. #07-1-52-1000 & #07-1-52-1010 Sale of Services

Includes wiring permit fees, electrical inspections and any other work performed by the Electric Utility staff for external customers.

10. #07-2-61-1000 Power Purchased

This is budgeted based on the Utility's power purchase requirements.

11. Labour Utility (field crews)

The Town of Lunenburg has a service agreement with Nova Scotia Power for the operations and maintenance of the Town's Electric Utility infrastructure. The arrangement was effective June 1, 2018 for a renewable five-year term. The agreement has been extended with three one-year terms to May 31, 2026. This agreement is being extended for an additional two-years to May 31, 2028. The cost of this service arrangement is allocated within the various cost centers of the Utility.

12. #07-2-62-1200 Repairs & Maintenance Substations

Budget has been included for routine repairs and maintenance.

13. #07-2-62-1300 Transformer Testing

While the substation transformers require periodic testing these costs are now included in the substation repairs and maintenance budget. There are three transformers at the substation, a dual voltage main and a backup for each voltage.

14. #07-2-63-1200 Telephone/Cellular/Internet

Includes the basic rates, cellular phones for the Corporate Services staff who manage the Utility and internet lines in the Town Office/Electric Department.

15. 07-2-63-2310 Line Vegetation Management Contractor

It is important that the vegetation be managed to maintain power during weather events. The budget includes costs for annual contracted tree trimming and removal.

16. #07-2-63-6400 Maintenance of Building

Includes estimate for annual repairs.

17. #07-2-63-6600 Rental Victoria Road Building

Space is required at the Victoria Road exhibition building for storage of large spools of wire, etc.

18. #07-2-64-2150 Maintenance of Transformers

Budget estimate for maintenance including any required testing for PCB's of older transformers. All line transformers must be tested for PCBs by 2026.

19. #07-2-66-1100/2100, 67-1100/2100/3100/4100/6100 and 68-1100 Portion of Salaries

Salaries for all Corporate Services Administration and Finance Staff are shared with other departments based on actual time spent working for them. These allocations are reviewed annually to ensure their continued relevance and accuracy. Allocations include General Government Services, Transportation Services, Community Development, Water and Electric Utilities.

20. #07-2-67-7100 Meter Reading

For fiscal 2026/27 the NSP Contract will provide these services until in-house staff can be fully trained and take over this task. Budget estimates include the combination of those anticipated costs.

21. #07-2-67-6050 Electronic Banking Services

This cost is for the lease of two debit machines located in the Finance Office and one third of all banking fees. This is deemed reasonable based on monthly electric billings vs quarterly billings for other Town Utilities.

22. #07-2-68-1200 Honorariums

Honorariums for members of Council for their oversight of Electric Utility. Allocated at 25%.

23. #07-2-68-1400 Conventions/Training – Council

Conferences, training and professional development for the Mayor and Councillors. Approximately 50% of costs is allocated to the Electric and Water Utility budgets.

24. #07-2-68-2100 Engineering

The budget for Engineering Consulting fees for operational support. If support is needed to capital projects those costs are allocated to the capital project.

25. #07-2-68-2210 Communications

Budget for a portion of the Town Communication staff and related supplies or software.

26. #07-2-68-3100 Advertising

Budget for outage notices and supplies.

27. #07-2-68-4100 Uncollectible Accounts

A valuation of aged receivables is performed annually and an allowance for uncollectible accounts is established as per national accounting guidelines.

28. #07-2-68-5600 Maintenance/License - Computers/Printers

Budget includes maintenance and licensing of computers including the accounting software license fee. The accounting software license fee is an all-inclusive annual fee for program updates and improvements and IT support for the software. Other departments pay the Electric Utility for a portion of this license fee.

29. #07-2-68-6600 General & Liability Insurance

Insurance costs are budgeted at estimated rates for the upcoming year.

30. #07-2-68-9200 Employment Benefits

The Utility reimburses the Town for a portion of the Employment Benefit costs for the Town office staff. This account also includes an accrual for retirement benefits based on the Town’s personnel policy.

31. #07-2-68-9500 Training and Memberships

Budget for various staff training, seminars/conferences and memberships.

33. #07-2-69-1350 Small Capital – Office Equipment

This has been transferred from the Capital Budget to Operations based on the Town’s Tangible Capital Asset threshold of \$2,500. Includes replacement computers as required (generally replaced every 3 years).

34. #07-2-69-3100 Board of Public Utilities

Budgeted based on previous year actuals.

35. #07-2-69-3200 Consultant Fees

During fiscal 2026/27 the Utility will need to undertake a General Rate Application (GRA) and the cost of which is anticipated to be amortized the current and next two fiscal years.

36. #07-2-70-2100 Depreciation Expense

All capital items are depreciated at an average rate of 3.5%. as per NSURB.

37. #07-2-70-4100 Interest Expense & Long Term Debt Principal #07-2-70-5100

The Electric Utility has the following debentures:

A 20-year debenture for the substation upgrade from 2006.

Payment	Original Loan	Principal	Interest	End Balance
20 of 20	\$2,000,000	\$100,000	\$1,500	NIL

A 10-year debenture for voltage regulator and transformers from 2024/25.

Payment	Original Loan	Principal	Interest	End Balance
1 of 10	\$481,772	\$48,179	\$15,200	\$433,593

A 15-year debenture for the feeder upgrades from 2025/26. Debenture being secured in Spring 2026, interest rate is based on an estimate.

Payment	Original Loan	Principal	Interest	End Balance
0 of 15	\$2,009,642	NIL	\$100,500	\$2,009,642

It is estimated that the Electric Utility will need to finance significant debt for capital upgrades in the next five years and this will have an impact on rates.