

SUBJECT: Utility Rate Methodology and Billing	Effective Date: 1/17/2016	Policy Number: FSP 2016 UES0001	
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	Responsible Authority: Associate Vice President, Facilities & Safety		

APPLICABILITY/ACCOUNTABILITY

This policy applies to all personnel, departments, and units that occupy UCF's main campus facilities and buildings, to include; auxiliaries, direct service organizations, and educational and general, either singular in nature, or established within mixed-used space.

POLICY STATEMENT

The Department of Utilities and Energy Services (U&ES) is a university auxiliary responsible for the production, procurement, and administration of utilities on the main campus. This policy establishes the department's authority to provide a basic level of utility service, develop utility rates, and bill end users for all utilities, whether metered or non-metered. Entities requiring an elevated level of utility service must obtain U&ES approval to modify, add, delete, and/or alter utility meters in any capacity, and will be responsible for any additional costs incurred.

DEFINITIONS

Auxiliaries: end user activities or entities that are not instructional in nature, but support the operation of the university. Auxiliaries generate revenue from the sale of goods and services to the university community.

Commodity: a utility service that can be bought and sold, such as electric, natural gas, reclaimed water, domestic water, waste water, or chilled water

Direct Service Organization (DSO): an organization that is certified by the University of Central Florida Board of Trustees as operating in a manner consistent with the goals of the University and the best interest of the State.

Education and General (E&G): Appropriations by the Legislature used to support instruction and non-instructional activities, research, public service, academic administration, and Type I Centers

End user: any facility, occupant, contractor, or customer on the main UCF campus taking point of delivery or interconnecting with utility distribution services

EnergyCAP: client- and web-based application software utilized for utility bill entry, rate management, bill generation from meter readings or estimates, auditing, tracking, cost avoidance, and energy management

Standardized Method: a comparison process used for unmetered end user spaces that are either similar in size, energy intensity, functional need, or as a percentage of the space occupied within or around the facility

System Accuracy Measurements: an accuracy measurement (+/- 2%) of commodity consumption applied to utility-grade metering

Virtual Meter: a calculated consumption value based on physical condition(s), expressed as the difference between upstream and downstream meters, performed in EnergyCAP. This methodology applies approximate consumption values for billing purposes where meter placement is not feasible or prohibitive.

BACKGROUND INFORMATION

Each U&ES utility meter and sub-meter is read monthly to determine utility consumption. Meters and sub-meters serve several purposes: load profiling and research; cost allocation; calculation and verification of bills; energy auditing; identification of energy use and savings; performance tracking, contracting, measurement, and verification; operation, maintenance and power quality problem identification; and process system optimization. Accurate, properly selected, and installed systems are essential to these functions.

The monthly billing cycle used for commodity consumption is 28-32 days. Consumption measurements are taken from the point in the distribution system where billable data is collected. Meter readings must fall within system accuracy requirements, as defined by the original equipment manufacturer (OEM) of the commodity meter.

The university provides a basic level of utility service to end-users. If the basic level of service is insufficient to meet an end user's specific needs, the user shall be responsible for the cost of the elevated level of service, including special water requirements, low flow or temperature; fees

to increase consumptive use permits; waste water collection allocations with Iron Bridge; costs to increase distribution reserve capacity, demand, and/or distribution to the building; or group of buildings, to/from anything other than the standard points of demarcation.

GENERAL POLICY

The Department of Utilities and Energy Services shall receive from all end users payments to cover the cost of utility services consumed, whether consumption is metered or estimated.

U&ES will review rate structures every six months for university-generated utilities that include chilled water and potable water. For non-university-generated utilities (electric, natural gas, potable water, and waste water), users may see monthly variations, as utility rates are based on a number of market conditions and capital need, including impacts to approved state tariffs, infrastructure, commodity prices, long-term agreements and contracts, and transportation and fuel costs. Approved rates may also be affected by seasonal weather in the United States and will be posted at the beginning of each fiscal year, or updated as necessary at [http://www.energy.ucf.edu/sites/default/files/docs/Rate Information.pdf](http://www.energy.ucf.edu/sites/default/files/docs/Rate%20Information.pdf)

The rates for electricity, chilled water, domestic water, wastewater, and natural gas are based on the projected purchased commodity units and U&ES overhead, divided by the projected consumption. Projections are based on historical information and anticipated charges through both regulated and de-regulated utility partners. Energy prices are volatile, and temporary charges to approved rates may be enacted, if required to prevent excess carry forward, surpluses, or deficits. Commodity surpluses or deficits caused by cost deviations from the rate model shall be carried forward and embedded in the following year's rates.

Projected costs for production and distribution of the utility service to the users *may* include: capitalization of cash flow management, depreciation of plants and equipment, purchased utilities, salaries of both production and repair personnel, and maintenance and repair expenses related to both production and distribution systems not capitalized.

Where possible, meters are installed to determine the end users' utility consumption. There are instances where meters are not feasible: cost is prohibitive for their installation, building occupants are located within a mixed-use space, or a tenant moves into a different space. For instances where the end user's consumption is not metered, or if shared meters are in use (as in the case with a multi-use E&G space amongst multiple categories of end users), U&ES will make the allocation in conjunction with UCF's Space Planning, Analysis and Administration (SPAA). A virtual meter will be established using the standardized method to estimate the bill for cost recovery purposes noted in EnergyCAP. This estimate is derived using a number of customer consumption factors to make the estimate as fair and accurate as possible. Although no

estimate will be a 100% correct, U&ES will use the best information available to ensure the estimate is as close as possible to the actual consumption for that period.

In the event of a deficient or inoperable meter, consumption charges will be based on the prior year's consumption figures, adjusted for rate changes and for appropriate changes in usage caused by any additional equipment, change in building use, and climatic changes, or by an average of the last 12 months readings, whichever method best applies for the condition of the building, until a new calibrated meter can be installed.

The general level of consumption measurements will be on an end user basis at the point in the distribution system where billable information may be collected within system accuracy requirements.

1. *Potable Water Service - at the main backflow "valve/meter" connected to the building or group of buildings
2. *Chilled Water Service - at the U&ES Btu meter(s) serving the building, or group of buildings
3. *Natural Gas Service - at the U&ES or TECO Btu meter connected to the building or group of buildings
4. *Irrigation and Reclaimed Water Service - from the Seminole County distribution supply main meters
5. *Electrical Power Service - at the U&ES building sub-meter or Duke Energy meter serving the building, or group of buildings.

*In the case of utility services provided to non-metered end users, the consumption shall be determined using a standardized method applied to the square footage of the area covered by each category of end user.

RELATED INFORMATION

<http://www.energy.ucf.edu/>

<http://www.energy.ucf.edu/utility-administration>

http://www.energy.ucf.edu/sites/default/files/docs/utility_meter_services.pdf

RELATED DOCUMENTS

<http://www.energy.ucf.edu/sites/default/files/docs/Rate Information.pdf>

CONTACTS

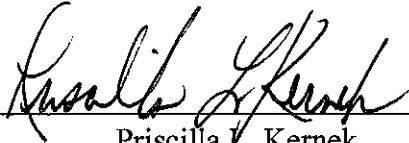
Associate Vice President for Administration & Finance (Facilities and Safety) 407-823-2900

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FORMS

[http://www.energy.ucf.edu/sites/default/files/docs/Utility Service Request.pdf](http://www.energy.ucf.edu/sites/default/files/docs/Utility%20Service%20Request.pdf)

Approved By:	Date Approved:
 Priscilla L. Kernek Associate Vice President Administration and Finance Facilities and Safety	1/17/16