



# UTILITY BILLING PROCESS

JULY 1, 2023

## Scope

The Utility Billing Process defines the requirements for all auxiliary and campus partner utility billing on the UH campus.

## Reason for the Process

This process establishes guidelines for the following information.

1. Calculation of monthly utilities usage & utility rates
2. Monthly billing schedule
3. Identification of buildings/outlets with operational UH owned meters and sub-meters
4. Identification of buildings with dedicated utility meters – Electric, Water and Gas

## Definitions

- A. Facilities/Construction Management (F/CM)** - A department within the Administration and Finance Division including Facilities Planning & Construction, Facilities Business Operations & Compliance and Facilities Services.
- B. UH Business Services** – The Administration and Finance Business Services Office that provides divisional support for F/CM.
- C. Auxiliary Unit** – Department who produces their own revenue and/or is billed for their utilities
- D. Campus Partner** – Department who produces their own revenue and/or is billed for their utilities
- E. Utility Meter** – Utility owned meter
- F. Building Meter** - UH owned building meter
- G. Sub-Meter** – UH owned meter to measure usage at auxiliary or campus partner spaces/outlets

## Specifications and Information

### I. Monthly Auxiliary and Campus Partner Utility Usage and Rate Calculation

#### A. Electrical Usage

1. If a building has a dedicated utility electric service, the monthly billing will be based on the actual utility bill.

2. If a building is on the UH power distribution and a meter or sub-meter is installed and operational, the actual monthly usage will be measured by a Facilities Services technician and billing will be based on the meter reading. The electric billing rate is established by dividing the total amount paid in dollars by the total campus consumption for the month.
3. If a building does not have a meter or sub-meter or has non-functioning meters, the monthly billing will be based on square footage including any common area space that directly supports the billed areas.

**B. Domestic Water and Sewer**

1. If a building has a dedicated City of Houston (COH) water service meter, the monthly billing will be based on the actual utility bill.
2. If there is no dedicated COH water meter and if a meter or sub-meter is installed and operational, the actual monthly usage will be measured by a Facilities Services technician and used to calculate the monthly billing based on consumption. The average billing rate is established by dividing the amount paid in dollars by the total campus consumption for the month.
3. If a building does not have a meter or sub-meter or has non-functioning meters, the monthly billing will be based on square footage including any common area space that directly supports billed areas.

**C. Central Utility Plant Consumption for Chilled Water and Steam Usage**

1. Buildings served with UH distributed chilled water (CHW) and steam will be billed based on square footage and the actual electric, water and gas used by the Central Plant. The average billing rate is established by dividing the amount paid in dollars by the total campus consumption for the month.

**D. Natural Gas**

1. If a building has a dedicated CenterPoint Energy gas meter, the monthly billing will be based on the actual utility bill.
2. If there is no dedicated CenterPoint gas meter and if a meter or sub-meter is installed and operational, the actual monthly usage will be measured by a Facilities Services technician and used to calculate the monthly billing based on consumption. The average billing rate is established by dividing the amount paid in dollars by the total campus consumption for the month.
3. If a building does not have a meter or sub-meter or has non-functioning meters, the monthly usage will be based on square footage including any common area space that directly supports billed areas.

**II. Billing & Rates Information**

**A. Billing for Meter Readings**

1. The billing amount will be retrieved directly from the utility bills. If all provider utility billing is received by the 20<sup>th</sup> of the month, F/CM will provide this information to UH Business Services by the 24<sup>th</sup> of the month.
2. If necessary, the meter will be read by a Facilities Services technician.

**B. Billing Cycle**

1. Billing will be completed monthly and due 30 days after receipt.

**C. Refunds**

1. If there is an error in the bill for buildings with installed meters and the bill exceeds the actual consumption, the customer may request a refund of the difference within the next

billing cycle. Refunds and other adjustments will not be made outside of the current fiscal year.

2. If a building is using the square footage cost method, then standardly no refunds will be provided. However, if there is an error in the bill, the customer may request a refund of the difference within the next billing cycle.
3. Billing is based on total campus consumption so any reduction in consumption would be taken into account in the bills provided to the customer through the average billing methodology. Any inquiries should be addressed to F/CM with a copy of the transaction identifying the error(s).

#### **D. Recalculation of Rates based on Square Footage**

1. Recalculations of rates based on square footage will be updated when square footage is removed or added to the campus.
2. It is the responsibility of the customer to update F/CM with any changes related to their space allocations on campus.
3. All auxiliary or campus partner spaces are subject to an annual review.

#### **E. Billing Calculations**

##### **Monthly Utility Metered Billing Calculation Formula**

A = Total Customer Utility Bill

B = Utility Meter Monthly Bill (from Utility)

E = Share of Utilities cost for production of CHW and steam at the Central Plant

**A = B** (for buildings that do not use central plant CHW and steam)

**A = B + E** (for buildings that use central plant CHW and steam)

##### **Monthly Utility Bill Calculation (Facilities Metered)**

A = Total Customer Utility Bill

B = Previous Month Reading

C = Current Month Reading

D = UH Utility Rate (Calculated utility rate for specific utility)

E = Share of Utilities cost for production of CHW and steam at the Central Plant

**A = (C – B) x D** (for buildings that do not use central plant CHW and steam)

**A = (C – B) x D + E** (for buildings that use central plant CHW and steam)

##### **Monthly Utility Bill Calculation (Unmetered):**

A = Total Customer Utility Bill (\$)

B = Customer Building Square Footage (ft<sup>2</sup>)

C = Total Campus Square Footage (ft<sup>2</sup>)

D = Total Campus Utility Bill (\$)

E = Share of Utilities cost for production of CHW and steam at the Central Plant

**A = (D/C) x B** (for buildings that do not use central plant CHW and steam)

**A = (D/C) x B + E** (for buildings that use central plant CHW and steam)

### **III. Other Items**

#### **A. Meter Installation**

1. Meters are a more accurate measure of energy or utility consumption.
2. Each auxiliary or campus partner customer is encouraged to fund the installation of appropriate meters and sub-meters at their buildings to receive the most accurate measurement and billing. The auxiliary or campus partner is responsible for all costs associated with a meter installation.
3. Alternate methods of calculating bills will be used as described above for buildings without meters.

#### **B. Existing Meters**

1. Existing meters need to be checked for proper functioning and calibration.
2. All associated costs are funded by the auxiliary or campus partner.
3. F/CM recommends a calibration every two years.
4. F/CM keeps the master list of all meters on campus.
5. F/CM establishes the monthly meter read dates.

<b>Office of Authorship and Revision History</b>
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F/CM Executive Leadership Team

Date: May 2023