

University of Utah Rate Schedule for Natural Gas Service FY26

Effective for Bills Dated After

July 2025

Application

This schedule is for natural gas service for all buildings 1) supplied through one of the University of Utah's central distribution systems or 2) systems directly served through an external utility company and managed by Facilities.

Recent Billing Rates – For Reference Only

Rates calculated monthly based on actual natural gas bills.

<u>Month</u>	<u>Rate (\$/ Dth)</u>
January 2024	\$6.5753
February 2024	\$7.2145
March 2024	\$5.0615
April 2024	\$5.1480
May 2024	\$4.9993
June 2024	\$5.4859
July 2024	\$5.9534
August 2024	\$5.1839
September 2024	\$4.8548
October 2024	\$5.0461
November 2024	\$5.5550
December 2024	\$6.3370

Resource cost	95.0%
R&R cost	2.7%
O&M cost	2.2%

Rate Calculations

Rates are calculated monthly by dividing the sum of campus production costs (in U.S. dollars) by the sum of natural gas consumption (in Dth) over the same period. Costs and consumption of gas used for the production of central heating water is excluded from this billing rate.

Costs include the purchase of natural gas and associated supplier fees, surcharges, and taxes. Costs also include the University's labor and material costs of the previous calendar year for operation, maintenance, and metering of the natural gas systems.

As of FY26, renew and replace (R&R) is collected from all users for the replacement of major assets necessary for the distribution of natural gas including pipe and meters. R&R collection is based on 1) planned and approved projects along and 2) maintaining an account balance that would recover emergency equipment replacement.

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Gas is measured by volume, standardized, and converted to energy (in Dth) based on average monthly supplier heat content.

Scheduled Rate Adjustments

Rates are calculated monthly and are primarily determined by the resource cost. Therefore, rate forecasts only consider information available at the time of the forecast (i.e. February each calendar year) but monthly rates would reflect actual prices from suppliers.

Monthly rates reflect any changes in the market. After high gas prices in January 2023, the University has a long-term hedge (approximately 20% of volumes) and will continue to monitor monthly pricing. Hedging reduces pricing volatility while taking advantage of Transportation Service contracts.

Time Periods

Seasonal rate adjustments of suppliers are directly reflected in monthly purchase costs.

Consumption Measurement and Calculation

Where one or more commercial-grade building-level meters are present, consumption is directly measured. Where existing devices are unable to directly measure consumption for a group or area, values are calculated based on the measurements of the closest parent meter and the percentage of served floor area.

Readings typically occur once a month and are estimated during months when meters are inaccessible or awaiting repair.