

Preliminary Energy and Utilities Rates – Fiscal Year 2025-2026

For planning purposes, Facilities Management developed the following preliminary rates for the 2025-2026 fiscal period. Overall, UVA's projected net utility costs are expected to increase by \$1.5M, resulting in a weighted average utility rate increase of 3% from FY25. Commodity costs and labor and material costs contribute \$1.8M to overall cost increases offset by \$300K resulting from decreased consumption.

Commodity cost increases accounted for \$700K of the utility cost increase.

- Electricity (\$200K): The FY26 rate increase reflects a 1% increase from the FY25 expected electricity costs.
- Water and Sewer (\$200K): The FY26 rate increase reflects a 3% increase from the FY25 City of Charlottesville published rates.
- Chilled Water (\$300K): FM produces chilled water using electricity and water. The FY26 rate reflects the expected increase in electricity and water.

Labor and material costs to produce, distribute, and maintain utilities accounted for \$1.1M of the utility cost increase.

- FM produces and distributes chilled water and heat commodities with UVA labor. Additionally, FM distributes and maintains all commodities using UVA labor. The utility rates reflect the University's merit assumptions.
- FM increased the cost of materials and contractual services used to produce, distribute, and maintain utilities for inflation (3%).

These cost increases are offset by a decrease in consumption for \$300K.

- FM adjusted the consumption of all commodities based on a review of the past three-year consumption history.
- Consumption primarily declined in the heat commodity due to weather, related to an overall increase to the US average daily temperature.

Utility	2025-26 Preliminary Rates	Weighted Change From 2024-25
Chilled Water	\$22.7589 / MMBtu	2.04%
Electricity	\$0.1168 / kWh	1.74%
Heat	\$33.5176 / MMBtu	5.57%
Sanitary Sewer	\$1.8264 / CGal	3.75%
Water	\$1.3742 / CGal	3.24%
Storm Water	\$0.0984 / SF	-3.88%
WEIGHTED AVERAGE:		3.00%

Facilities Management will update the FY26 utility rates in the Spring. Please direct questions to the contact information listed below.

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