

**Preliminary Energy and Utilities Rates – Fiscal Year 2026-2027**

For planning purposes, Facilities Management developed the following preliminary rates for the 2026-2027 fiscal period. Overall, UVA's projected net utility costs are expected to increase by \$5.8M, resulting in a weighted average utility rate increase of 6% from FY26.

Commodity cost increases accounted for \$4.2M of the utility cost increase.

- Electricity (\$3.7M): The FY27 rate increase reflects a 9% increase from the FY26 expected electricity costs, offset by an increase in overall expected electricity consumption.
- Heat (\$300K): The FY27 rate increase reflected a 3% increase in natural gas costs from the FY26 City of Charlottesville published rates.
- Water and Sewer (\$200K): The FY27 rate increase reflects a 3% increase from the FY26 City of Charlottesville published rates.

Labor and material costs to produce, distribute, and maintain utilities accounted for \$1.6M of the utility cost increase.

- The utility rates fund infrastructure projects across grounds. FM increased the funding for infrastructure projects and reallocated the infrastructure funding with the commodity it supports (\$1.3M).
- 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 and fringe assumptions (\$300K).

Utility	2026-27 Preliminary Rates	Weighted Change From 2025-26
Chilled Water	\$22.802 / MMBtu	-1.91%
Electricity	\$0.126 / kWh	7.85%
Heat	\$40.394 / MMBtu	11.84%
Sanitary Sewer	\$1.759 / CGal	-3.72%
Water	\$1.590 / CGal	7.24%
Storm Water	\$0.096 / SF	-2.54%
<b>WEIGHTED AVERAGE:</b>		<b>6.00%</b>

Facilities Management will update the FY27 utility rates in the Spring. Please direct questions to the contact information listed below.

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