

1.10 FUEL AND UTILITIES (Object 06)

Calculations for fuel and utilities may reflect a historically-based usage projection multiplied by a rate or an FY 2016 actual adjusted by an inflation rate. The methodology used to calculate Fuel and Utilities requests should be explained in Column 19 of the HOBO budget file and on a DA-2 form. Include in the calculation any needed adjustments related to space utilization.

Inventory of Buildings: Agencies should use form DA-2 to create an inventory of buildings for inclusion in the FY 2018 budget request. The inventory should report the square footage of each building served by the fuel and utilities included in the budget request. The following is an example of the information that should be presented:

<u>Continuously Maintained Areas (square feet)</u>	<u>Actual</u>	<u>Appropriation</u>	<u>Request</u>
Administration Building	2,500	2,500	2,500
Dormitory Building	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Total Continuously Maintained Areas	5,500	5,500	5,500
<u>New Areas (Add):</u>			
School Building (Open Jan. 2016)	450 ¹	900	900
<u>Discontinued Areas (Subtract):</u>			
Recreation Hall (Close June 2017)	<u>700</u>	<u>700</u>	<u>0</u>
Gross Areas Maintained, as adjusted	5,250	5,700	6,400 ²
Square footage change from Actual Year to Request Year = 21.9%			

¹Square footage adjusted to reflect half year's operation (900 sq.ft./2).

²Central boiler to be replaced July 2016; savings on oil estimated to be 8%.

Fuel – Natural Gas/Propane (0606): Agencies that use natural gas procured by the Department of General Services (DGS) should request FY 2018 funding of 21% over FY 2016 actual expenditures.

Utilities – Electricity (0620): Agencies consuming electricity procured by DGS should request FY 2018 funding of 5% over the FY 2016 actual expenditures. *No State agency may purchase electricity in the State's competitive electric utility market until DGS and the Maryland Energy Administration ensure that purchase is consistent with the State's strategy.*

MES Charges (0697): If water, sewage or facility operation services are provided by the Maryland Environmental Service (MES), use Comptroller Object 0697. Agencies should request FY 2018 funding equal to the FY 2017 appropriation by fund for 0697. DBM will update the figures for FY 2018 as needed. Agencies should inform the DBM analyst of any fund split changes in 0697.

Loan Repayment - Energy Conservation Project/State Agency Loan Program (0698): Agencies should request funding in the amount required in their Energy Performance Contract (EPC) or State Agency Loan Program (SALP) contract, **as detailed in the schedule found in Section 2.8**. The schedule lists charges known as of June 2016. Strategic Energy Investment Fund (SEIF) (swf316) funds may not be requested for 0698 except as detailed in the schedule. If an agency plans to initiate a new EPC and/or SALP loan, the amounts on the schedule should be increased. Please provide an itemization of additions and subtractions on a DA-2 form, clearly identifying how the request is derived and why it differs from the schedule. Questions should be directed to Shane Spencer at shane.spencer@maryland.gov.