UAB THE UNIVERSITY OF ALABAMA AT BIRMINGHAM

June 3, 2026

M E M O R A N D U M

TO: Stephanie B Mullins, Vice President for Finance
Andy Hollis, Chief Financial Officer

RE: Proposed FY27 Utility Rate Changes

Below please find the proposed FY27 utility rate changes. We base these projections on consultations with the various utility providers and detailed analysis by the Energy Management Department. Projected utility rates should not be considered guaranteed as additional, unanticipated external rate adjustments may occur, but should provide a *framework for budgeting.*

We review the financial performance of our internal utilities - Chilled Water and Steam - monthly. We are prepared to adjust these rates mid-year if warranted. We will share any changes before we implement.

UTILITY	FY25	FY26	**PROJECTED FY27**
Natural Gas	+2%	+3%	**+2%**
Water & Sewer	+7%	+7%	**+3.36%[1]**
Electricity	+3%	+3%	**+0%**
Chilled Water	+3% ($20.78/MMBTu)	+3% ($21.41/MMBTu)	**+1.5% ($21.73/MMBTu)**
Steam[2]	+3% ($34.15/Mlbs)	+3% ($35.18/Mlbs)	**+1.5% ($35.71/Mlbs)**

Notes:
1) The projected water & sewer increase includes a 3.16% pass through increase from CAW and a 0.2% EM fee for bill processing.
2) Condensate credit will continue to be applied where appropriate.

Requested by: James Wesley Adams — James Wesley Adams (Jun 4, 2026 13:33:13 CDT)
Assistant Vice President-Utilities & Energy Mgmt

Recommended: Lauren Godsey
Director of Financial Management

Approved by: Greg Parsons
Chief Facilities Officer

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