

Issue Brief – UCAT Utility Rate Increases

NUMBER UCAT-04

SUMMARY

Costs for utilities at the four UCAT campuses with their own facilities have increased substantially in 2006, while usage has remained relatively constant. Comparing utility bills from 2005 to bills from 2006, costs have increased by \$225,400 statewide.

OBJECTIVE

Appropriations for increasing utility costs allow the UCAT campuses to provide an environment conducive to the education of students.

DISCUSSION AND ANALYSIS

Although utility usage has not increased on the UCAT campuses, costs have increased significantly. These increases were identified by comparing bills (both usage and costs) from 2005 and 2006. The bills in 2006 have increased statewide by \$225,400. The increases, by institution are shown in the following table.

	<u>Electricity</u>	<u>Natural Gas</u>	<u>Total</u>
Bridgerland	\$69,118	\$20,682	\$89,800
Davis	21,859	26,441	48,300
Ogden/Weber	0	71,500	71,500
Uintah Basin	9,059	6,741	15,800
Total	\$100,036	\$125,364	\$225,400

In addition, a shortage of \$245,500 in the FY 2007 budget for utilities is anticipated. The following table shows the projected shortfall, by institution.

Utility Cost Increases FY 2007	
BATC	\$98,000
DATC	45,400
OWATC	81,400
UBATC	20,700
Total	\$245,500

The Analyst recommends funding for utility rate increases at the four UCAT campuses in the amount of \$225,400 for FY 2008 and \$245,500 as a FY 2007 supplemental.

