



Information Residential Communities Initiative Utility Billing Program



We all have an interest and responsibility to conserve scarce natural resources and The Department of Defense's Utility Billing program has been set up to do just that.

How it works is simple. Those residents of on base housing who consume less electricity and heat than average for the type of house they occupy will be able to pocket the excess cash and those who consume more will pay the excess cost. No resident will be unduly treated because of the condition or size of the house since they will be compared to similar houses.

The Utility Billing Program does not result in more money for the owner of housing or less money for residents. The program results in better housing from savings in the overall utility bills. The program has already demonstrated that it reduces consumption and lowers operating costs. The savings are used to pay for improvements to on-post housing and neighborhoods.

How does this program work? The developer/partner will establish an appropriate baseline for utilities for like houses. They will then conduct "mock billing" for a minimum six-month period, at each installation, during which time they will provide residents information regarding their consumption and costs as compared to the baseline appropriate for their home. During the "mock billing" residents will not be responsible for paying any overages or receive payments for savings. Following the "mock billing" period, actual billing will commence; during actual billing, residents who conserve at certain levels will have the opportunity to receive a payment or credit; those who do not conserve will be required to pay for their excess consumption.

What if there is a harsh winter or summer? Energy costs vary from year to year for all people living both on and off post. For residents living on post, the utility baseline is adjusted for local weather patterns. During a harsh winter or very hot summer, the baseline is increased to account for higher usage. Also, if the commodity cost of the utility increases, the baseline is adjusted higher to account for this increase. These benefits are not available to those living off post, they only get their BAH adjusted once a year for changes to utility costs.

Won't Soldiers have to pay for a benefit they previously had covered when living on post? If persons conserve and use utilities wisely, there will be little or no out of pocket expenses. Responsibility means awareness of usage and conservation. If utilities are used responsibly, and are below an established baseline, families will receive a rebate. Only if it is above that baseline will Soldiers owe the difference.

Doesn't this mean that the benefits of living on post are dwindling? Benefits remain the same except now they have the opportunity to live in much better housing than ever before and receive a rebate on a portion of their rent if they conserve utilities. Also, if you go on an extended vacation there is a high probability you would get a rebate, whereas before this program began, there was no rebate provided for reduced utility consumption. Soldiers are not required to live in RCI housing however, feedback from Soldiers indicates they enjoy many benefits from living on post, including quality homes, good maintenance, and increased sense of safety and security and improved access to services. IN general, privatized housing on post will be larger, have community amenities and top notch property management to address their needs and concerns. The Army is making living on post even more attractive to Soldiers and families. The family support system found in RCI Communities, especially during deployments, makes living on post very favorable for families.

What is the breakdown of BAH and how will it help the Soldier with utility bills? The BAH includes components of rent, utilities and renters insurance. However this breakdown by component and dollar amount has no relationship to what the Soldier will be charged for utilities.

What if the house I live in is not energy efficient? The average consumption used to determine your monthly utility allowance will be based on the actual house you live in and other similar houses. As an example, an older historic home will have a baseline determined by comparing other historic homes and their usage.

How am I assured that the savings does not go to the contractor when I reduce energy consumption? Any savings due to a reduction in utility usage go directly to the project to be used to build additional new homes or neighborhood amenities. The developer/partner cannot spend money from the investment account without the installation concurring (these decisions are made by a board which the garrison commander is on).

The Department of Defense (with Congressional support) has directed the policy making on-post residents responsible for their utilities. The Army and its various partners in privatized housing support that policy since it appropriately places responsibility for on-post utilities similar to what the majority of Service Members living off post pay.