

Hunt Military Communities

Air Force Utility Allowance (UA) Program Policy Change Town Hall

Installation Briefers (Wing CC Rep & Hunt Rep) 12/4/2024



Air Force UA Program VIDEO

https://www.youtube.com/watch?v=Kl8oeiEQ00g&t=3s





Why a Utility Allowance (UA)?

- Basic Allowance for Housing (BAH) includes two components: one for rent, and one for utilities
- Department of Defense policy on Utility Allowance is to:
 - Encourage conservation by making residents responsible for their energy consumption (electricity and natural gas)
 - Reward Service members who conserve utilities to keep the difference between the cost of their consumption and the UA
 - Provide Services with the flexibility to adjust the UA based on actual consumption data and experience with the initial methodology
 - Conservation of utilities lowers demand on the grid increasing the resilience of the system to support mission requirements



Why Did UA Policy Change?

- More accurately calculates utility costs
 - New UA based on monthly averages, not yearly averages
 - New UA accounts for monthly fluctuations in commodity rates
 - Increases transparency
- Better promotes energy conservation
 - Offers rebate incentive to those who conserve electricity & natural gas
 - Zero out-of-pocket costs for the average utility consumer
 - Significant reduction in energy use seen after live billing starts
- Better balances financial incentives to residents and project funding
- Encourages investment in energy-saving projects



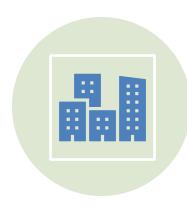
Benefits

- Consistent with OSD policy
- Promotes energy conservation with financial incentive
 - 50% of residents will continue to receive rebates for conserving
- Monthly averages capture seasonal fluctuations without creating out-of-pocket expenses
- Improves project funding for sustainment and revitalization
- Better aligns out-of-pocket expense for on-base & off-base families
- More consistent across DoD; <u>similar to</u> Army and Navy programs

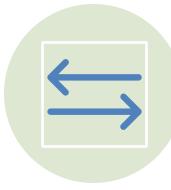
Air Force UA Program Key Changes



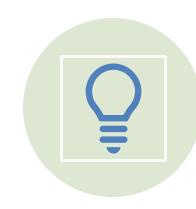
BAH & UA Credits: Residents will no longer receive BAH utility credits. Instead, the rent amount will transition to full BAH allotment (less any rent concessions), with no utility credit applied.



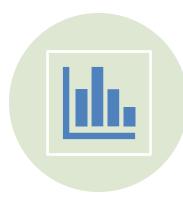
Utility Lease Addendum: All active-duty residents will be required to sign an updated utility lease addendum. No changes for Civilian residents.



Billing Transition: Beginning January 1, 2025, residents will enter a three-month mock billing period (January to March 2025) under the new methodology. Live billing will commence in April 2025.



New UA Billing Method: The UA method will transition to a monthly baseline method. Under this new system, the Project Owner will now collect 100% of the BAH (less any rent concessions), with a portion allocated to the Utility Allowance. This allowance will be based on normal monthly usage baselines for each like-type home group.



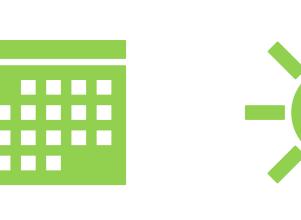
Over-Consumption and Under-Consumption Billing: Residents will be billed monthly for usage that exceeds the established baseline (over-consumption) and may receive rebates for usage below the baseline (under-consumption) to encourage energy conservation.

Air Force UA Program Overview











The UA Program is an OSD mandated program that provides the privatized military partners the opportunity to participate.

The UA Program's baseline calculations use <u>current weather</u> <u>conditions</u> vs. the previous model that took an average of the year's overall conditions.

This is a more
accurate way to
obtain energy cost
and consumption
data, allowing it to
be adjusted as
needed.

Due to the method change, 3 months of mock billing will be provided to allow residents an adjustment period to get familiar with the program.

Utility baselines are calculated based on the current month's weather conditions as well as the commodity rate.

Airmen will likely
experience no out-ofpocket expenses. The utility
component of the BAH
should cover utility costs for
the majority of household's
who consume "normal" or
average usage. Those with
above normal usage will
only owe if the payment is
above the \$50 threshold.

Benefits of the New UA Program for Residents



More accurately calculates energy costs

- Old UA provided rebates to above-average energy consumers
- New UA will be based on monthly averages, not yearly averages
- Increases Airmen transparency



Better promotes energy conservation

- Offers rebate incentive to those who conserve electricity & gas beyond the normal usage range
- 50% of residents will continue to receive rebates for conserving
- Zero out-of-pocket costs for the average utility consumer



Allows more project funds to be reinvested in homes and communities

- Better balances financial incentives to residents and helps reduce project operating expenses
- Encourages Project Owner investment in energy-saving initiatives

Old vs New Air Force UA Program

	Old UA Policy	New UA Policy
Energy Calculation	100% of the 5-year historical average of like-type homes.	100% of the actual average monthly consumption of like-type homes.
Payments	Residents pay out-of-pocket only for above average usage.	Residents pay out-of-pocket only for above average usage (over the \$50 payment threshold).
Rebates	Residents earn rebates for usage below the average.	Residents earn rebates for usage below the average (over the \$50 rebate threshold).
Seasonal Fluctuation Calculations	Seasonal fluctuations not reflected in the 5-year average.	UA accurately captures cost, including seasonal fluctuations monthly.
Rate Fluctuations	Rate fluctuations not reflected in the annual UA.	UA accurately captures rates updated monthly.
Impact on Airmen	Residents using above average consumption will pay the difference out of pocket if above the UA credit amount.	Residents using above average consumption will pay the difference out of pocket if above the \$50 threshold. Residents using average consumption will pay \$0 out of pocket.

Pros and Cons

Annual UA Method (Old)

PROS

Residents know up-front what their monthly utility allowance for the year will be.

CONS

High Users may have significant out-of-pocket costs if using more than their BAH allotted UA usage amount.

Complex 5-year averaging calculations.

No seasonal component due to annual average determined up front.

The UA is calculated up front based on historic data—so it doesn't take into account rate changes or extreme temperatures throughout the year.

Monthly Baseline UA Method (NEW)

PROS

Earn rebates for conservation!

No action is needed on your monthly bill unless the \$50 payment/rebate threshold is exceeded.

Takes into account seasonal component due to annual average determined up front.

The UA is calculated monthly based on realtime data—so it transfers the risk of rate changes and extreme temperatures to the Project, not the resident.

CONS

Residents will not know up front what their monthly utility allowance will be. The UA is calculated monthly.

Air Force UA Transition Milestones

DEC 2024:

- FINAL MONTH OF UA CREDITS

 Final Deadline for Lease
 Addendums is
 DECEMBER 15th

FEB 2025:

- 1st MONTHMOCK BILLING(January Usage)

APR 2025:

- 3rd MONTH MOCK

BILLING

(March Usage)

- APRIL USAGE IS NOW LIVE UNDER METHOD D

1st Month LIVE Billing
 Under New Method
 (March usage)



- TRANSITION BEGINS

- Begin Full BAH Collection (No UA Credits)

 Final December usage statement received in January will be MOCK as a courtesy to residents

MAR 2025:

- 2nd MONTH MOCK BILLING (February usage)

MAY 2025:

- 1st LIVE STATEMENT FOR APRIL USAGE

(billing is 30 days in arrears)

- Payments/rebates post to resident ledgers if above the \$50 threshold

UA Transition Timeline

IMPORTANT NOTE:

YES Energy UA billing statements will always be delivered ~30 days after the usage period has closed.

This is due to the time needed by the 3rd Party Billing Company to receive the meter and cost data from the Utility Provider and calculate the UA baseline averages for each LTG, along with, payment and rebate allocations.

DEC 2024 – LIVE bill for FULL electric/gas (Nov usage)

• Rent Amount: BAH - UA

JAN 2025*— Final bill for FULL electric/gas (Dec usage) *Charges waived; bill will be MOCK as a courtesy by Hunt

• NEW Rent Amount: 100% BAH (less any rent concessions) + 2025 annual BAH adjustment

FEB 2025 – 1st MOCK bill for electric/gas usage above/below baseline (Jan usage)

MAR 2025 – 2nd MOCK bill for electric/gas usage above/below baseline (Feb usage)

APR 2025 – 3rd MOCK bill for electric/gas usage above/below baseline (Mar usage)

MAY 2025 – 1st LIVE bill for electric/gas usage above/below baseline (Apr usage)

How are LTG's Determined?



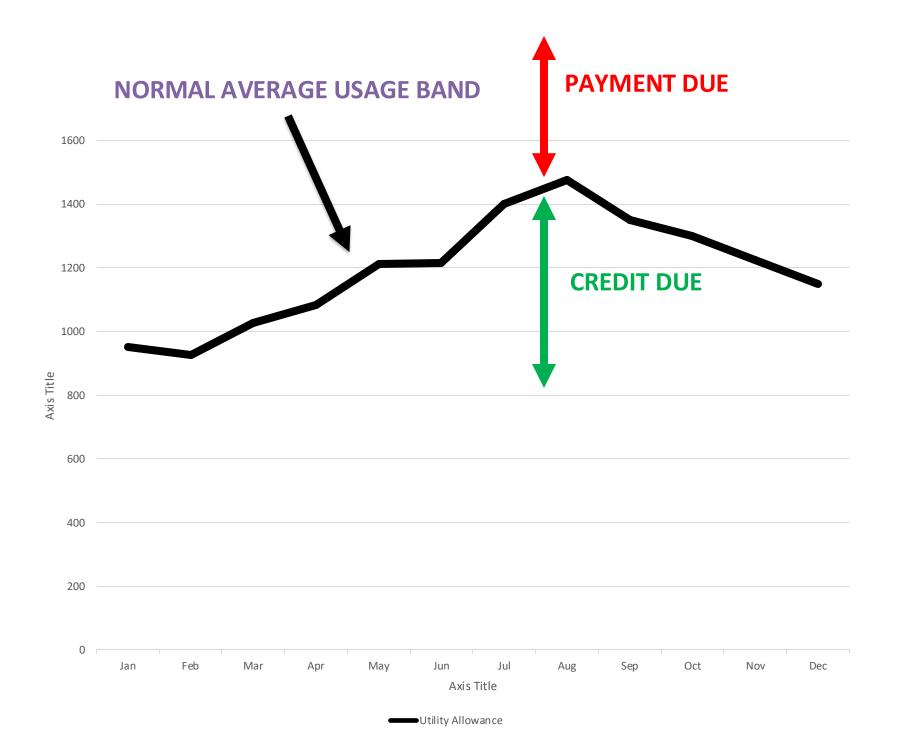
Like Type Groups:

- Homes are grouped together in "Like Type Groups" (LTGs) based on factors that influence energy usage including:
 - Size (sqftg, number of bedrooms)
 - Age of the home (year built)
 - Construction style and thermal characteristics
 - Variations in type of heating and cooling equipment
- ***Family size is not a factor***

Small Like Type Groups:

- For small groups with fewer than 10 homes or unique homes, the baseline average will be determined using:
 - 5 Year Rolling Average Method
 - Per Square Foot Method

The Billing Process



How Are Payments & Credits Determined?

- Establish the normal usage band for every like-type group by commodity:
 - Remove Exclusions: Vacant/Partially Occupied Homes,
 Estimates, Homes with Electric Vehicles, and Civilians
 - Eliminate the Highest 10% and Lowest 10% of Users (If >10 homes in a LTG)
- Compare against the normal usage band:
 - Rebate Issued: If your usage is BELOW the normal usage band, you will be eligible for a credit
 - Payment Due: If your usage is ABOVE the normal usage band, you will need to pay for the extra usage
- Apply the \$50 Threshold:
 - Payments/Rebates BELOW the \$50 Threshold: NO ACTION (unless the cumulative balance exceeds the threshold)
 - Payments/Rebates ABOVE the \$50 Threshold: PAYMENT DUE or REBATE ISSUED
 - At the Baseline: If your usage falls equal to the normal average usage amount, you will owe nothing (covered by BAH)

Sample Bill Calculation



Example Billing Calculation for Usage BELOW the Normal Average Usage Band:

Resident's Actual Monthly Usage = 750 kWh

Monthly LTG Average 1000 kWh

Difference between resident's usage and the normal average usage band:

750 kWh - 1000 kWh = (250 kWh)

Billing amount is calculated by applying the current effective electric rate to determine the charges for usage below the buffer:

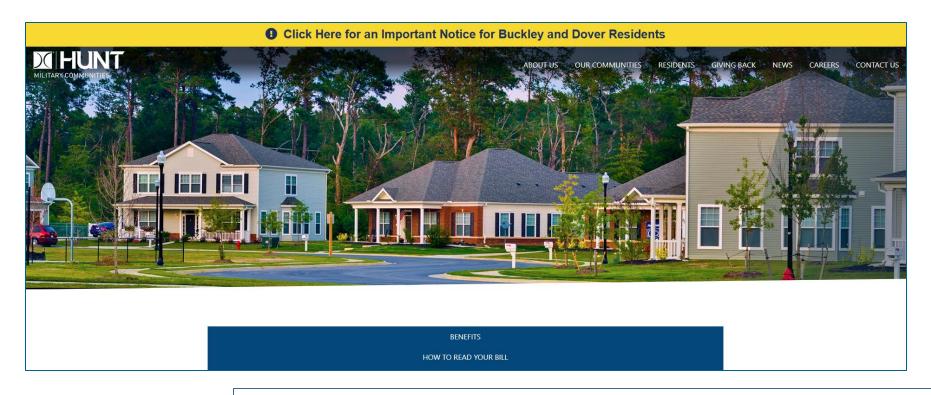
(250 kWh) X \$0.14326/kWh = (\$35.82) REBATE

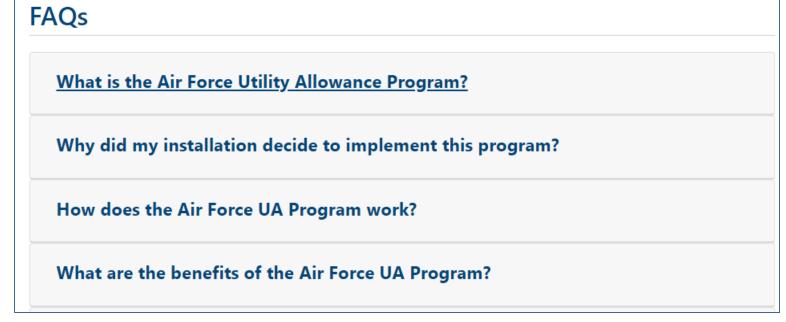
Payment owed when total payment amount exceeds >\$50 -OR-

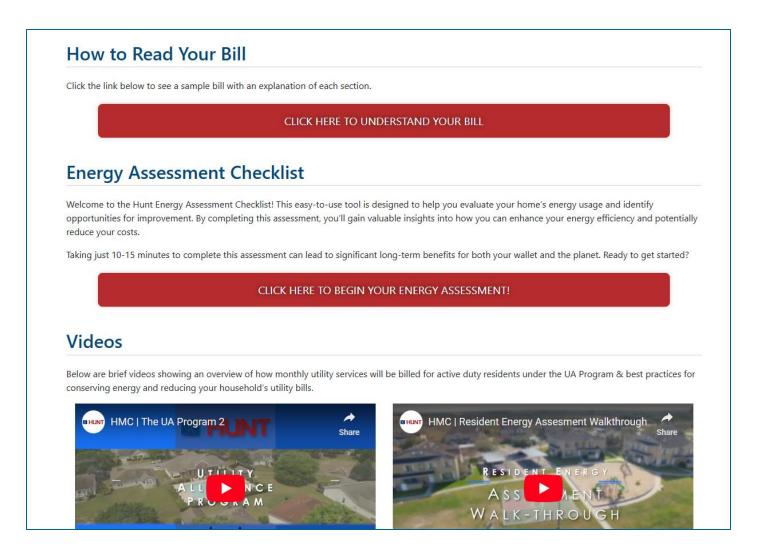
Rebate issued when total rebate amount exceeds > \$50

Dedicated Air Force UA Program Website

URL: https://www.huntmilitarycommunities.com/resident-utility-program









YES Energy Resident Billing Service

Hunt Military Communities has partnered with YES Energy, a leading energy and metering company, for the administration of the resident utility conservation program.



Account Payments

A variety of convenient payment options including automatic payments available on the Hunt Resident Portal.



Statements and Notices

The new and improved monthly statements are now be easier to read and understand. Statements will continue to be mailed to your home each month and will also be available electronically in your YES online web portal.



Customer Assistance - Available Now!

Contact the YES Customer Service Center for help managing your utility account. We have a dedicated group of employees standing by to help you with any questions you have regarding this transition or your utility account.

Reach this team by phone 24/7 at 1-888-363-0493

SAMPLE STATEMENT FRONT



The top portion of the statement is the tear-off stub with payment details.

Legend stating if there is an amount to pay, nothing to pay, or if a refund is due.

The left hand side contains:

- Customer service contact details.
- Portal website address.
- Community name.
- Resident ID and portal registration code.

500 Colonial Center Pkw v Ste 200 Roswell, GA 30076-8852



JOHN SMITH 53 YES St. Roswell Park, GA 30076 **Please detach and return this stub with your payment or pay on-line at www.yesenergynnw.com**

Customer Service: (721) 214-1865

EXAMPLE PROPRTY

Resident ID: Statement Date:

m0123456 7/18/2019

Due Date:

Current Balance: Amount Due: Amount Enclosed: 08/08/2019 \$38.20 \$38.20

YES Energy Management PO Box 82577 Goleta, CA 93118-2577

Service Address

53 YES St. Roswell Park, GA 30076

Community Name

Example Property

Like-Type Group

Ros 12LT

Customer Service Hours of Operation:

24 Hour Service Daily (721) 214-1865 Email: yescs@yesenergymgmt.com

Resident Services Office Contact

5338 Roswell Park (845) 789-4567

Resident Portal Website

www.yesenergynnw.com

Online Payment Registration Code

Resident ID: m0123456

YES System Information

Property ID: exprop-

Remit Payment To

YES Energy Management PO Box 82577 Goleta, CA 93118-2577

Community Message

Thank you for conserving responsibly!

**Please see the back of your statement for an important message.

Actual Utility Usage -ACCOUNT DE 1. Community Service Dates 6/1/2019 - 6/30/2019 7/18/2019

<u>Due Date</u> **Billing Days** Your Usage Amount Your Usage

Previous Reading Current Floating Utility Type \$/K/A/H 0.1153600 ELECTRIC 238,752.00 239,957.00 1,205.00 \$139.01 Average Usage, \$91.64

(Normal Usage Zone)

Your Usage, \$139.01

Payment Due

m0123456

Previous Balance

Usage (under) or over the Normal Usage Zone ELECTRIC

Credit Due

<u>Unit Number</u>

Rebate or Payment

\$0.00

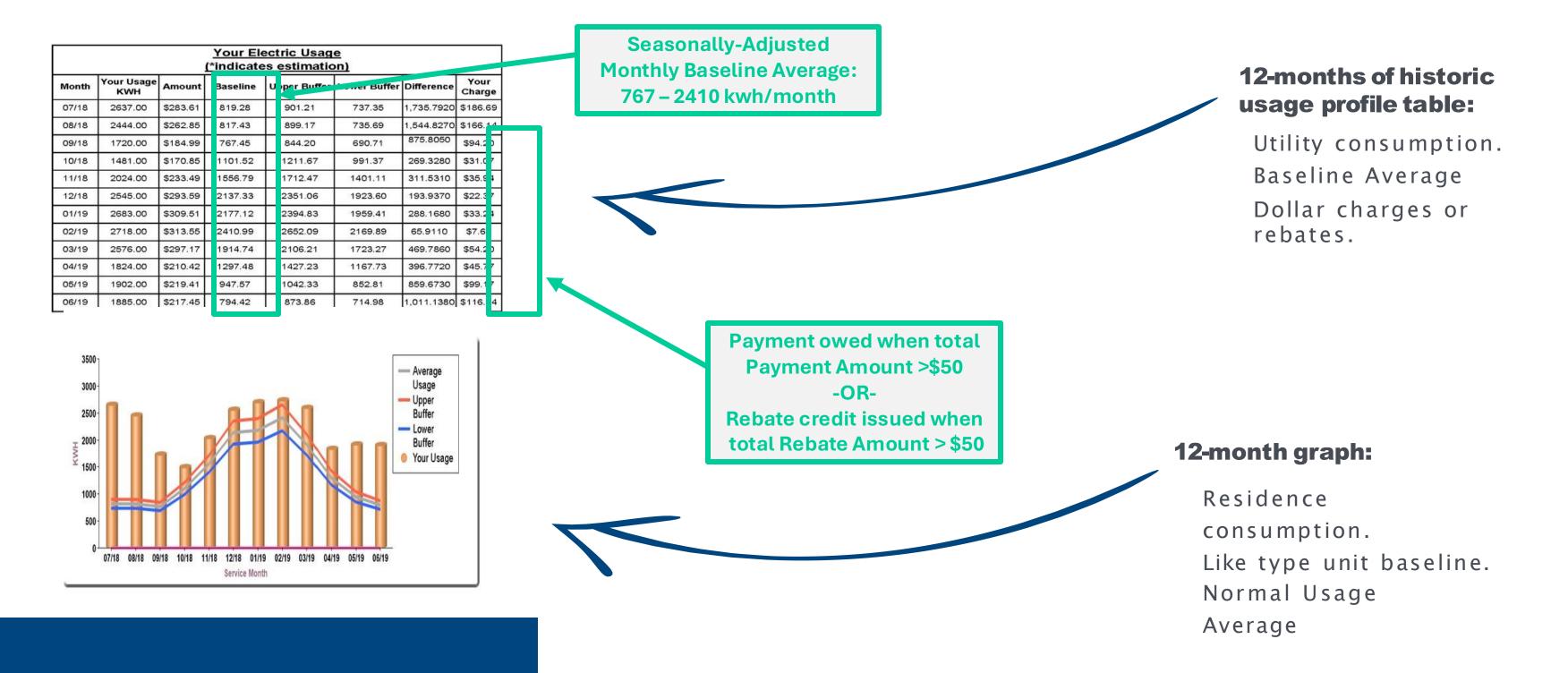
\$38.20

The main body lists:

- Meter information.
- Utilities invoiced.
- Baseline and dollar charges/credits.

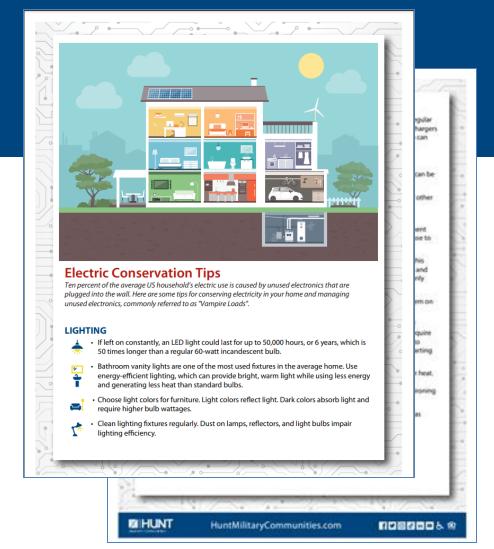
SAMPLE STATEMENT BACKgraph and usage table in detail)

**Rates listed include all applicable charges, fees, and rate discounts as determined by the local utility provider. If your usage is indicated as *EST, your actual usage could not be obtained and your usage has been estimated and adjusted to fall within the average of your LTG for the period.

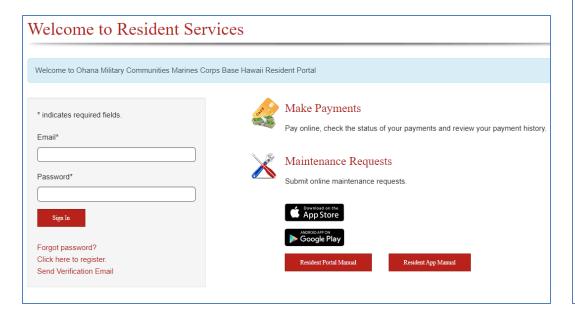


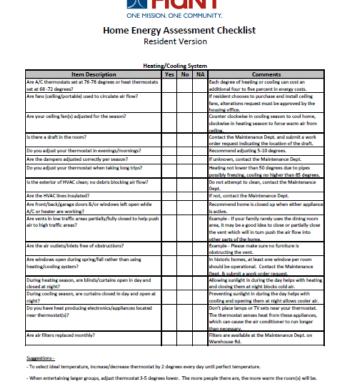
Resources for Residents

- Resources for High Users:
 - 1. Conservation Tip Sheets
 - 2. Self Energy Assessment Checklist
 - 3. Energy Assessment Walkthrough Video (5 min video on property website)
 - 4. In-Home Energy Assessment
 - Maintenance Service for Equipment Concerns
 - 6. Preventative Maintenance for A/C and water heaters upon resident request









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Energy Conservation Tips



Lighting

- Replace incandescent bulbs with LEDs where possible. If left on constantly, an LED light could last for up to 50,000 hours, or 6 years, which is 50 times longer than a regular 60-watt incandescent bulb.
- Clean lighting fixtures regularly.
 Dust on lamps, reflectors, and light bulbs impair lighting efficiency.



Heating/Cooling

- Leave window shades, drapes and/or blinds closed during the day
- Replace filters more frequently if there are pets in the home.
- Use ceiling fans. Also run kitchen and bath exhaust fans long enough.
- Open windows during moderate weather of spring and fall



Electronics

- Unplug infrequently or seasonally used power supplies
- Buy ENERGY STAR®-labeled electronics. Consolidate multiple power supplies on a single power strip



Appliances

- Gas flames from your stove should burn with a clear blue color. A yellow flame may indicate your burner isn't operating efficiently.
- Carefully time your preheat period when baking.
- Defrost the freezer regularly.
- Wash clothes in cold water whenever possible.



QUESTIONS?

