

Update: Asbury First Utility Expenses (Sept 2026)

This update is a follow-up to “Review of Asbury First Gas & Electric Utilities Expenses” (Oct 2025) and now includes water expenses in addition to gas and electric.

Information Sources

- 2026 All-Campus Facilities & Custodial Work Paper (Sept 2026)
- Utilities Cost and Utilization Reviews for 1010, 1040 and 1050 (Sept 2026)
- PowerChurch Income & Expense statements and Account Activity reports
- Review of RG&E gas and electric invoices for 2024-2026 (1010, 1040, 1050, Area Lights)
- Review of City of Rochester water invoices for 2025-2026 (1010, 1040, 1050)

Lessons Learned

- **More precise understanding of utilization trends**
 - 1010 gas, electric and water utilization have all increased, and these increases correspond to 3rd floor apartment occupancy starting in mid-July 2025 (as of Aug 2026 this seems to have stabilized)
 - For 1040, a major water leak occurred in 2025, resulting in an over-estimate of 2026 water usage
 - For 1040 and 1050, gas, electric and water utilization are otherwise relatively stable
- **Building specific pricing matters**
 - 2026 estimates for cost/therm and cost/kwh were based on all-campus aggregated expenses
 - 2026 estimates assumed same cost/therm and cost/kwh for each location (which was not accurate)
 - Due to “declining block pricing” for gas and electric, highest utilization = lowest unit price (1040), lower utilization = higher unit price (1010) and lowest utilization = highest unit price (1050)
- **GAGE contract for natural gas did not terminate until 3/31/26**
 - This resulted in off-contract high supply rates in Feb and March for which we negotiated a refund (refund represents adjustment to what standard RG&E supply rates would have been)
- **We should not be paying taxes on gas and electric (needs remediation)**
 - We are applying for a refund for the past 24 months of taxes paid (~\$7,300)
 - Taxes increase gas expenses by \$0.03/therm; taxes increase electricity expenses by \$0.01/kwh
 - We need nonprofit status with RG&E (or a robust plan for ensuring timely tax refunds)
 - **IMPORTANT: 2027 gas and electric budgets assume no taxes are paid (or all taxes are refunded)**
- **CDG solar credits are distributed unevenly (needs remediation/rebalancing)**
 - CDG credits = ~5% reduction in total electricity expenses for 1040 (~\$3,000/yr) and 1050 (~\$300/yr)
 - CDG credits = <0.5% reduction in total electricity expenses for 1010 (~\$50/yr)

NATURAL GAS EXPENSES

2026 Budget

- Assumed baseline utilization = 50,000 therms (based on RG&E invoices and manual meter reads)
 - 1010 baseline utilization 5,400 - 5,500 therms/yr, but budgeted as 6,000
 - Remaining 44,000 therms were divided between 1040 and 1050 (estimated attributions)
- Assumed RG&E delivery charges (which are complicated) would increase by 15%
- Assumed GAGE contract would end on 12/31/26 and that RG&E supply rates would start at approximately \$0.03/therm lower than the GAGE fixed rate of \$0.46/therm, then increase by 15%
- Budgeted same cost/therm for 1010, 1040 and 1050 (\$0.74/therm)

2026 Results

Expenses for 2024-2026 include taxes (~\$0.03/therm); [2027 Budget assumes no taxes \(or taxes refunded\)](#).

2026 predictions are based on Jan-Aug 2026 invoices and predicted Sept-Nov expenses.

GEN Budget	2024 Actual	2025 Actual	2024-2025 Increase	2026 Budget	2026 Predicted	2025-2026 Increase (predicted)	2027 Budget	2026-2027 Increase (predicted)
1040/1050 Gas	\$28,208	\$32,556	15%	\$32,480	\$35,339	9%	\$39,900	13%

COC Budget	2024 Actual	2025 Actual	2024-2025 Increase	2026 Budget	2026 Predicted	2025-2026 Increase (predicted)	2027 Budget	2026-2027 Increase (predicted)
1010 Gas	\$6,688	\$5,194	-28%	\$4,520	\$6,410	23%	\$7,100	11%

2026 natural gas expenses will exceed budget.

What happened?

	Budgeted therms	Budgeted total cost/therm	12-mos rolling therms	12-mos rolling total cost/therm	Budget vs. Predicted Total Expenses
1010	6,000	\$0.74	6,600	\$0.93	Total 2026 expenses are predicted to be 42% above budget: Cost/therm significantly higher than budgeted Rolling 12 mos utilization increased from 5,400 to 6,600 (23% increase in one year)
1040	37,000	\$0.74	42,000	\$0.72	Total 2026 expenses are predicted to be 11% above budget: Cost/therm \$0.3/therm lower than budgeted, but rolling 12 months utilization higher than budgeted + RG&E winter weather delivery surcharge
1050	7,000	\$0.74	4,400	\$1.12	Total 2026 expenses are predicted to be on budget: Cost/therm significantly higher than budgeted, but close to on budget due to 12 mos rolling utilization significantly lower then estimated
	50,000		53,000		

Having more experience tracking utilization and knowing that cost/therm will vary significantly by location, we can now budget 2027 more precisely:

2027 COC Budget- Gas

- Assume new baseline of 6,600 therms will increase by 3% = 6,800 therms
- Given limited experience with RG&E as supplier, budget for 10% increase in delivery cost/therm and 20% increase in supply cost/therm = net 15% increase ([without taxes](#))
- Approximately 15% of gas utilization is attributable to apartment occupancy
- Increase total budget by 2% if a 5th on-site meal is added

2027 General Budget- Gas

- Assume 1040 new baseline of 42,000 therms will increase by 3% = 43,260 therms
- Given limited experience with RG&E as supplier, budget for 10% increase in delivery cost/therm and 20% increase in supply cost/therm = net 15% increase ([without taxes](#))
- 1050 based on relatively stable utilization of ~4,400 therms and cost/therm increases as described above

ELECTRICITY EXPENSES

2026 Budget

- Assumed baseline utilization 432,400 kwh/year (based on RG&E invoices and manual meter reads)
 - General Budget = 306,400 kwh/yr + COC Budget = 126,000 kwh/yr
- GAGE contract ended in Dec 2025 → RG&E standard supply rates
- We assumed significant delivery and supply rate increases for 2026 (similar to rate increases seen in 2024-2025), and budgeted conservatively as \$0.230/kwh
 - Calculations (kwh x \$/kwh) were then rounded up slightly for the General and COC Budgets

2026 Results

Expenses for 2024-2026 include taxes (~\$0.01/kwh); [2027 Budget assumes no taxes \(or taxes refunded\)](#).

2026 predictions are based on Jan-Aug 2026 invoices and predicted Sept-Nov expenses.

GEN Budget	2024 Actual	2025 Actual	2024-2025 Increase	2026 Budget	2026 Predicted	2025-2026 Increase (predicted)	2027 Budget	2026-2027 Increase (predicted)
1040/1050/ Area Lights Electricity	\$49,838	69,468	See note below	\$71,200	\$63,571	-8%	\$72,960	15%

COC Budget	2024 Actual	2025 Actual	2024-2025 Increase	2026 Budget	2026 Predicted	2025-2026 Increase (predicted)	2027 Budget	2026-2027 Increase (predicted)
1010 Electricity	\$10,822	\$26,994	Unclear why expenses were so low in 2024	\$29,300	\$29,657	10%	\$35,800	21%

Note: In 2024/2025 there were a few instances of irregular billing (e.g. corrected estimates, refunds etc.). November 2025 electricity usage was not final invoiced until January 2025, pushing \$6,844 of November 2024 expenses (which would have normally been paid in December) into 2025. This irregular billing decreased 2024 expenses, inflated 2025 expenses, and explains the predicted GEN Budget 2025-2026 decrease. Since early 2025 all invoices are based on automatically read meters.

2026 expenses are trending under-budget.

What happened?

	Budgeted kwh	Budgeted Total Cost/kwh	12-mos rolling kwh	12-mos rolling total cost/kwh	
1010	126,000	\$0.230	132,255	\$0.225	Total 2026 expenses are predicted to be on budget Cost/kwh at or slightly below budget target Cost/kwh has decreased slightly using RG&E as supplier (still limited experience with RG&E) 12 months rolling utilization 5% higher than budgeted (even with no air conditioning x 2 months)- had air conditioning been functional utilization would have been higher and 1010 would have been over-budget
1040	268,500	\$0.230	265,200	\$0.210	Total 2026 expenses are predicted to be 10% below budget: Cost/kwh is \$0.02 below budget target (= \$5,300 savings) Current rolling 12 months utilization is at budget target
1050	32,750	\$0.230	26,140	\$0.225	Total 2026 expenses are predicted to be 15% below budget: Cost/kwh at or slightly below budget target Utilization is lower than predicted
AL	5150	\$0.230	800	N/A	Total 2026 expenses are predicted to be on budget Area light utilization is approximate Most cost is fixed/constant delivery rate charges
	306,400		292,140		

AL = Area Lights

Having more experience tracking utilization and knowing that cost/therm will vary significantly by location, we can now budget 2027 more precisely:

2027 COC Budget- Electricity

- After adjusting for 2 months of no air conditioning, baseline utilization would have been approximately 138,175 kwh (9% increase over pre-apartment occupancy utilization)
- Assume new baseline utilization of 138,175 kwh will increase by 3% = 142,320
- Given limited experience with RG&E as supplier, budget for 20% increase to \$0.251/kwh (without taxes)
- Approximately 6% of electricity utilization is attributable to apartment occupancy
- Increase total budget by 2% if a 5th on-site meal is added

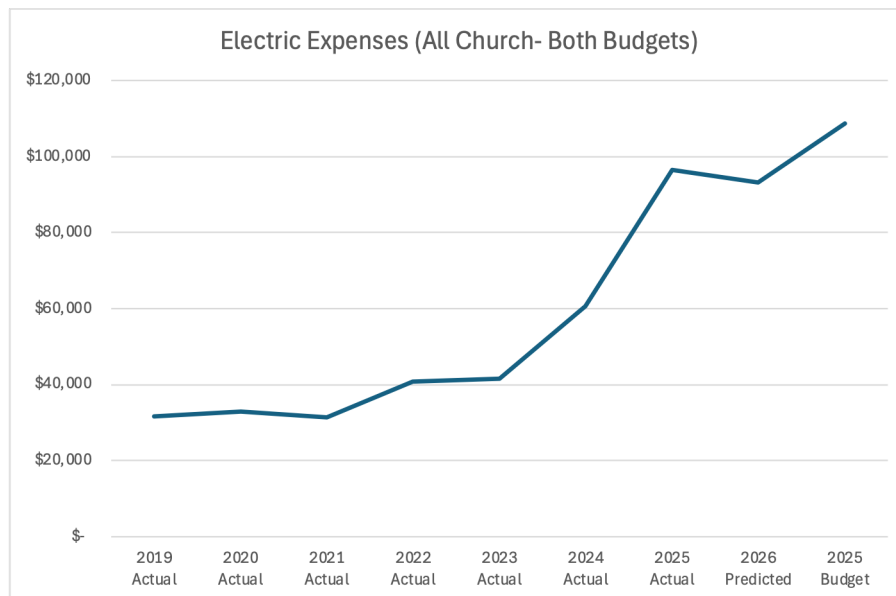
General Budget- Electricity

- 1040
 - Assume new baseline of 226,200 kwh will increase by 3% = 273,156 kwh
 - Given limited experience with RG&E as supplier, budget 20% increase to \$0.232/kwh (without taxes)
- 1050
 - Assume new baseline of 26,140 will increase to 30,000 for (still some fluctuation in 1050 utilization);
 - Given limited experience with RG& E as supplier, budget 20% increase to \$0.250 (without taxes)
- Area Lights
 - Small cost; budgeted based on limited review

2024-2027 Observations

- All campus electricity expenses increased rapidly from 2023-2025
- In 2026 (off GAGE contract), the rate of increase slowed (slope flattened a bit)
- Still- and despite solar energy credits (at least for 1040 and 1050), all-campus electricity costs are predicted to continue to increase at a concerning rate

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2026 Predicted	2025 Budget
All-Campus Electric	\$ 31,705	\$ 32,895	\$ 31,380	\$ 40,751	\$ 41,546	\$ 60,661	\$ 96,462	\$ 93,228	\$ 108,760



WATER EXPENSES

Water expenses are billed quarterly by the City of Rochester (no taxes). Invoices = usage charges (per 1,000 gallons used) + base rate charges (based on number of days of service in the billing period). Usage and base rates increase on July 1, and recently both rates have each increased ~5% annually. As utilization decreases (e.g. 1050), base rate charges represent a great percentage of the total invoice, therefore increasing the total charges/1,000 gal:

Total charges/1,000 gal	1010	1040	1050
Rolling 12-months average (Sept 2025-Aug 1016)	\$8.91	\$6.32	\$33.69

2026 Budget

- 1010 water is on budget
- 1040 water was over-budgeted due to major water leak in 2025 (which over-predicted 2026 utilization); without this leak, water utilization for 1040 has otherwise been stable 2024-2026
- 1050 water is only slightly under-budgeted; water utilization for 1050 appears to be relatively stable

2027 COC Budget- Water

- Assume current baseline utilization of 550,000 gal will increase 3% = 566,500 gal
- Assume usage rate increase 5% and base rate increase 5%
- Assume total charges continue as usage: base = 70:30
- 3% utilization increase + 5% usage and base rate increases = 7.7% increase above 2026 predicted
- Approximately 10% of water utilization is attributable to apartment occupancy
- Increase total budget by 2% if a 5th on-site meal is added

2027 General Budget- Water

- 1040
 - Assume current baseline utilization of 241,000 gal will increase 3% = 248,000 gal
 - Assume usage rate increase 5% and base rate increase 5%
 - Assume total charges continue as usage: base = 50:50
 - 3% utilization increase + 5% usage and base rate increases = 8.5% increase above 2026 predicted
- 1050
 - Assume current baseline utilization of 19,000 gal will increase 3% = 19,570 gal
 - Assume usage rate increase 5% and base rate increase 5%
 - Assume total charges continue as usage: base = 15:85
 - 3% utilization increase + 5% usage and base rate increases = 6.1% increase above 2026 prediction

Submitted by Dawn Riedy (Sept 2026)