



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND, HAWAII
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JBP HH, HAWAII 96860-3139

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Ser FM/ 00785
21 MAY 2013

From: Commanding Officer, Naval Facilities Engineering Command, Hawaii

Subj: FY14 ELECTRICITY BILLING RATE FOR DEPARTMENT OF DEFENSE
SUPPORTED COMMANDS

1. Starting 1 October 2013 (FY14), the Naval Facilities Engineering Command (NAVFAC) Hawaii stabilized billing rate for electricity will increase significantly from the current FY13 rate of \$263.47 per MWH to \$587.43 per MWH for Department of Defense (DoD) customers on the island of Oahu. This FY14 rate will be applied to all accounts serviced by NAVFAC Hawaii.
2. The higher FY14 stabilized billing rate is necessary to ensure full cost recovery including prior year losses due to under billing for electricity.
3. As a Navy Working Capital Fund activity, NAVFAC Hawaii stabilized billing rates are based on DoD Financial Management Regulations (FMR) and policies. The stabilized billing rate for each commodity is adjusted each year to cover the projected costs of providing services to our customers. The FMR also requires NAVFAC Hawaii to escalate an individual commodity's budget to recover financial losses attributed to that commodity in prior years. The difference between the projected and actual prior year costs of providing electrical services as well as approved infrastructure investments are key components of the forecasted FY14 NAVFAC Hawaii stabilized electricity rate. The FY15 stabilized electricity rate is expected to decrease, to align with projected costs of providing electricity.
4. The current electricity rate for FY14 is \$587.43 per MWH plus the surcharge, if applicable, on the island of Oahu. NAVFAC Hawaii will keep all customers informed of changes to the rate, should any changes occur. Should you have questions concerning the impact to your account our point of contact for this issue is our Comptroller, Melinda (Lindy) Rollo, who can be reached at (808) 471-0122 or by e-mail: melinda.rollo@navy.mil.

M. D. WILLIAMSON

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