

Subpart 41.4 - Administration

Parent topic: [Part 41 - Acquisition of Utility Services](#)

41.401 Monthly and annual review.

Agencies *shall* review utility service *invoices* on a monthly basis and all utility accounts with annual values exceeding the *simplified acquisition threshold* on an annual basis. Annual reviews of accounts with annual values at or below the *simplified acquisition threshold shall* be conducted when deemed advantageous to the Government. The purpose of the monthly review is to ensure the accuracy of utility service *invoices*. The purpose of the annual review is to ensure that the utility supplier is furnishing the services to each facility under the utility's most economical, applicable rate and to examine competitive markets for more advantageous service offerings. The annual review *shall* be based upon the facility's usage, conditions and characteristics of service at each individual delivery point for the most recent 12 months. If a more advantageous rate is appropriate, the *Federal agency shall* request the supplier to make such rate change immediately.

41.402 Rate changes and regulatory intervention.

(a) When a change is proposed to rates or terms and conditions of service to the Government, the agency *shall* promptly determine whether the proposed change is reasonable, justified, and not discriminatory.

(b) If a change is proposed to rates or terms and conditions of service that *may* be of interest to other *Federal agencies*, and intervention before a regulatory body is considered justified, the matter *shall* be referred to GSA. The agency *may* request from GSA a delegation of authority for the agency to intervene on behalf of the consumer interests of the *Federal executive agencies* (see [41.301](#)).

(c) Pursuant to [52.241-7](#), Change in Rates or Terms and Conditions of Service for Regulated Services, if a regulatory body approves a rate change, any rate change *shall* be made a part of the contract by unilateral *contract modification* or otherwise documented in accordance with agency procedures. The approved applicable rate *shall* be effective on the date determined by the regulatory body and resulting rates and charges *shall* be paid promptly to avoid late payment provisions. Copies of the modification containing the approved rate change *shall* be sent to the agency's paying office or office responsible for verifying billed amounts (see [41.401](#)).

(d) If the utility supplier is not regulated and the rates, terms, and conditions of service are subject to negotiation pursuant to the clause at [52.241-8](#), Change in Rates or Terms and Conditions of Service for Unregulated Services, any rate change *shall* be made a part of the contract by *contract modification*, with copies sent to the agency's paying office or office responsible for verifying billed amounts.