

Department of General Services
Procedures for Transferring
Utilities Service from the Landlord
To a
State Agency for Leased Locations

Through innovative large account power purchasing strategies, DGS Energy Projects and Services Division purchases electricity and natural gas in de-regulated markets on behalf of all Executive Agencies. By locking in rates for a portion of future power needs and purchasing the balance at real time rates, savings are passed on directly to the agencies. NOTE: THE STATE IS PROHIBITED FROM ASSUMING THIRD PARTY ENERGY CONTRACTS.

Responsibilities:

Landlord

1. Provide DGS Construction Management the most recent 12 months of invoices for electric and /or gas service at the leased location.
2. Provide DGS Construction Management with meter audits that indicate which portions of the property service specific meters.
3. Notify local electric and gas service providers that the service will be transferred to a State of Maryland account.

Agency

1. DGS Construction Management/Lease Compliance will provide the Agency with all pertinent information to accomplish transfer of utilities.
2. The Agency's Chief Fiscal Officer or its designee shall transfer the local utility account directly to the agency by contacting applicable companies for each commodity with the information provided by DGS Construction Management.
3. The utility will issue a new account number and bill directly to the Agency.
4. **Instruct the provider that the State agencies are not subject to state and local sales taxes. (The state must pay the local energy tax in Montgomery County).** The agency should check several months of invoices to verify that state and local taxes are not included following the transfer.
5. Notify DGS Office of Real Estate Construction Manager of the new account number, name of the utility company and the meter number.

DGS Office of Real Estate

1. Prior to the BPW, the leasing agent is to notify DGS Construction Management/ Lease Compliance Manager that an Agency will be direct billed for electric and/or gas service according to the lease agreement.

2. DGS Construction Management/ Lease Compliance Manager will notify the Agency that the electric and/or gas service will be transferred to the Agency upon commencement of the new lease.
3. Once the new account is established by the Agency, the DGS Construction Manager/Lease Compliance Manager will notify DGS Energy Projects and Services Division that the account is eligible for transfer to the State's power provider.
4. DGS Construction Manager will notify the Agency Chief Financial Officer once service is contracted to the State's energy provider and provide new account number(s) and a copy of the DGS Energy Projects and Services Division contract with the provider.
5. Not all accounts may be placed with the State's energy provider. Locations on the Eastern Shore, Southern Maryland and Western Maryland receive services from local co-ops, which provide energy at discounted prices. Leased offices with a co-op power supplier will remain with that provider.