



Mastering the chargeback module: Advanced Techniques for Utility Cost Allocations in EnergyCAP



Caitlin McBride

Nevada County, California

Quick check



Where does your chargeback process become fragile?

A shared meter serves multiple departments.

The best allocation driver changes by site.

Estimated billings must eventually reconcile to actual cost.

Finance needs to reproduce every number.

The advanced move is not a more complicated formula. It is a repeatable workflow with explicit business rules, controls, and true-ups.

Roadmap



- 1. Design the allocation before the workflow**
- 2. Match each site to the right drivers**
- 3. Configure a repeatable Chargeback process**
- 4. Reconcile estimates, actuals, and true-ups**
- 5. Troubleshoot exceptions and scale with confidence**

**Design the allocation before
the workflow**

Every defensible chargeback has three layers



SOURCE

What cost is being distributed?

Utility bills and adjustments

Site-level projected costs

Credits, subsidies, and direct charges



DRIVER

What best explains each share?

Actual metered use

Prior-year kWh percentage

Occupied square footage



TARGET

Who receives the charge?

Department or tenant

Cost center or program

Internal bill and accounting output

Choose the driver that tells the most accurate story

PRIOR-YEAR kWh SHARE

Best when energy use differs meaningfully by occupant and complete submeter data is not available for the billing period.

Department share = prior-year department kWh ÷ prior-year site kWh

Nevada County example: Ranch

Watch: normalize the period and document meter or occupancy changes.

OCCUPIED SQUARE FOOTAGE

Best when departments share a facility and occupied area is a stable, supportable proxy for utility benefit.

Department share = occupied department ft² ÷ total allocated ft²

Nevada County examples: ERAC and SORDTF

Watch: effective dates, vacancies, and common space.

Build the Chargeback workflow around approved business rules

1. DEFINE THE SOURCE

Select the accounts, meters, bills, adjustments, credits, and billing period that belong in the cost pool.

2. APPLY THE CALCULATION

Use the approved site driver—metered use, prior-year kWh percentage, square footage, or a documented split.

3. ASSIGN THE RECIPIENTS

Map each calculated share to the correct department, tenant, cost center, or program.

4. PREVIEW AND VALIDATE

Confirm population, percentages, totals, dates, and exceptions before creating internal bills.

5. CREATE, EXPORT, AND RECONCILE

Tie the Chargeback output to the accounting entry and retain the run package.

Build controls into the workflow—not around it



POPULATION

Freeze the source period.

Confirm every expected account.

Separate direct-billed items.

Document exclusions.



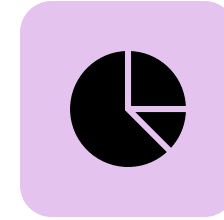
EFFECTIVE DATES

Date-stamp each driver.

Apply occupancy changes once.

Avoid overlapping rules.

Retain the prior version.



CONTROL TOTALS

Shares equal 100%.

Allocated cost equals source.

Rounding is explainable.

Output ties to accounting.

A defensible chargeback is easy to explain

Start with the business rule—not the button.

Use the driver that best reflects each site.

Make estimates and true-ups part of one controlled cycle.

Reconcile population, percentages, and dollars every run.

If another analyst can reproduce it, finance can trust it.

Questions + peer discussion

Which allocation driver is hardest to defend in your organization?

Where does your current process depend on a manual spreadsheet or one person's knowledge?

What would make your next Chargeback run easier to reconcile?