

# RUBS – An Overview of Ratio Utility Billing System

## What is RUBS?

RUBS is a method of allocating water and sewer costs in apartments, condominiums, offices, shopping centers and other multi-unit properties. The actual utility bill for the property is distributed to each resident based on an allocation formula. Factors in the formula can include one or a combination of the following:

- Number of occupants
- Square footage
- Number of bathrooms
- Number of water fixtures

## RUBS vs. Submeters

Advances in metering technology have made it possible to economically convert multi-unit properties to individual metered service using submeters. However, the plumbing configuration in many properties makes it too costly, and in some cases, impossible to install individual submeters.

RUBS is a way to help residents understand the true cost of utility service in properties where meters cannot be feasibly installed. By allocating a portion of the property utility costs, residents can see the connection between usage and cost. By separating utility costs from rent, water conservation is encouraged. This helps keep resident total housing cost as low as possible and also promotes environmental conservation.

## Water Conservation

Recent studies sponsored by the National Multi-Housing Council and the National Apartment Association have documented the linkage between water conservation and separate billing for water usage. These studies found that individually metered apartments experience an 18 to 39 percent reduction in water consumption compared with properties that include water expenses in rent.

Properties that use a RUBS allocation formula to distribute water costs had a reduction of 6 to 27 percent in water usage.

## **Win-Win-Win**

Utility submetering and allocation is a win-win-win situation: residents win by having more control over their total housing costs, apartments win by reducing operating expenses and the environment wins because water resources are conserved.