

# 541.201 Policy.

(a) GSA purchases utility services in a manner that is consistent with the regulations, rulings and franchise or service territories. Rates are established by independent regulatory bodies. These Tariff rates:

(1) Are considered “prices set by law or regulation”; and

(2) Are sufficient to set prices without obtaining cost or pricing data (see [FAR 15.403-1\(c\) \(2\)](#)).

(b) FAR Deviation. Notwithstanding the policy as set forth at [FAR 41.201\(b\)](#), GSA is exempt from the requirement to acquire a bilateral written contract for the acquisition of utility services from regulated utility providers and further exempt from the procedures listed in [FAR 41.202](#) when acquiring such services. Instead, GSA will follow the Regulated Utility Service Procedures set forth at <https://insite.gsa.gov/utilityacquisition>.

(c) A bilateral written contract is not required to establish new accounts with a regulated utility service provider or to pay for services rendered by any such provider.

(d) Except as required during an emergency situation, a GSA purchase card may not be used as a payment method for any utility services. If a GSA purchase card is used during an emergency situation, the purchase card holder must inform the designated GSA budget office.

**Parent topic:** [Subpart 541.2 - Acquiring Utility Services](#)