

HCS SS SB 1370 -- ENERGY CONSERVATION MEASURES

SPONSOR: Nodler (Rector)

COMMITTEE ACTION: Voted "do pass" by the Committee on Communications, Energy and Technology by a vote of 20 to 0.

This substitute requires any governmental unit of the state, including any political subdivision, to meet certain conditions when entering into a contract for the implementation of an energy conservation or facility improvement measure. Before entering into a contract, the qualified provider proposing to improve energy conservation in a public facility must issue a report guaranteeing a certain amount of savings in energy or operating costs from the installation, modifications, or remodeling.

Before entering into a contract, the governmental unit must solicit competitive sealed proposals from qualified providers that can best meet the needs of the governmental unit. Energy savings must be guaranteed for the entire term of the contract. The reductions in energy consumption and cost savings attributable to the improvement measures must be provided in a manner that meets the needs of the governmental unit.

FISCAL NOTE: No impact on state funds in FY 2005, FY 2006, and FY 2007.

PROPOSERS: Supporters say that the bill will save the state money, perhaps \$17 million. The process is already being used, but agencies are not required to use it.

Testifying for the bill were Senator Nodler; and Johnson Controls.

OPPOSERS: Opponents say that it is doubtful the state will realize a cost-savings of \$17 million. The current program is only a pilot program, and there are concerns about taking it statewide in terms of financing and master-lease agreements.

Testifying against the bill was Division of Design and Construction.

Alice Hurley, Legislative Analyst