HOUSE COMMITTEE AMENDMENTS

2015 Regular Session

Substitute for Original House Bill No. 667 by Representative Ortego as proposed by the House Committee on Appropriations

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact the heading of Part VII of Subtitle I of Chapter 1 of Title 39 of the Louisiana Revised Statutes of 1950, and R.S. 39:251, 252, 253(A), (B), and (C), 254(B)(1) and (2), and 256, relative to energy efficiency in state buildings; to provide for the development and implementation of a standardized reporting method for energy and water usage by state departments and agencies; to provide for the posting of annual water and energy usage reports; to provide for the performance of bill assessments and utility usage audits; to provide for implementation and compliance; to provide an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. The heading of Part VII of Subtitle I of Chapter 1 of Title 39 of the Louisiana Revised Statutes of 1950, and R.S. 39:251, 252, 253(A), (B), and (C), 254(B)(1) and (2), and 256, are hereby amended and reenacted to read as follows:

PART VII. ENERGY MANAGEMENT ACT OF 2001 STATE WATER AND ENERGY TRANSPARENCY ACT (SWETA)

§251. Short title

This Part may be cited as the "Energy Management Act of 2001 State Water and Energy Transparency Act (SWETA)".

§252. Purpose

The purpose of this Part is to provide for development and implementation of a state energy <u>and water</u> management policy regarding all <u>metered</u> state-owned buildings and facilities <u>that have a combined square footage greater than twenty-five</u> <u>thousand square feet per meter</u> in a manner which <u>will minimize minimizes</u> energy <u>and water consumption and ensure ensures</u> that buildings and facilities are operated

with maximum efficiency of energy <u>and water</u> use <u>and to provide a means by which</u> energy and water usage statistics are made available to the public.

§253. Development and coordination of policy

- A.(1) The division of administration shall develop and implement a standardized reporting method to obtain information benchmark, monitor, track, and report energy and water use from by each department and agency on energy usage and costs for such energy used no later than January 1, 2002. The reports shall include information relative to state-owned or leased buildings and facilities concerning location, billing name and address, square footage, hours of operation, demand charges, energy suppliers, and energy costs. Such reports shall be made on a biannual basis: utilizing the ENERGY STAR Portfolio Manager, or an equivalent no-cost program, to measure and report energy and water efficiency for facilities.
- (2) The division of administration shall use this information to develop and maintain a database on all state buildings and facilities and their associated energy use, energy demand, and energy cost. The Department of Natural Resources shall provide energy management training upon request to certain state personnel, such as building managers, financial administrators, and others. train departments and agencies in the use of the software program chosen.

(3) All state departments and agencies shall update this data monthly in order for the division of administration to complete quarterly reports.

- B.(1) The division of administration shall develop an initial energy cost index no later than April 1, 2002. The energy cost index shall be developed using the information obtained pursuant to Subsection A of this Section. The energy cost index shall include but not be limited to the following: prepare annual reports which shall be posted to the division of administration website which shall contain, at a minimum, for each meter, the following data reflecting:
- (a) British thermal units per square foot by building or facility class. The type of energy used.
- (b) Energy costs per million British thermal units. The amount of energy used.

- (c) Kilowatt demand by square foot by class. The cost of energy used.
- (d) A target power factor. The site energy usage intensity (EUI).
- (e) Total water use.
- (f) Total water cost.
- (2) The division of administration shall use the energy cost index <u>EUI and</u> water cost data to identify state buildings and facilities with elevated energy <u>and</u> water use or costs <u>in relation to other facilities of similar age, size, construction, and</u> function.
- C. The division of administration shall conduct, or cause to be conducted, detailed bill assessments and energy and water usage audits on state buildings and facilities with identified elevated energy or water use or costs. Such assessments and energy audits shall be conducted on a priority basis based on results of the energy cost index EUIs and water cost data, once two years' data has been collected. Bill assessments shall include assessments of gas and electrical consumption, peak demand and demand charges, service charges, and tariff or rate schedule appropriateness. Energy audits shall include audits of occupancy and use patterns, electrical controls and control systems, heating, ventilation, and air conditioning efficiency and maintenance, lighting efficiency, building infiltration, and control of radiant gain through walls, roof, and windows. In order to minimize expenditures, the division of administration shall utilize performance contracting and service agreements to the maximum extent possible.

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§254. Implementation of recommendations; funding

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B.(1) Agencies Departments and agencies able to demonstrate net savings from implementing ECSMs initiated by the agency may retain all of the utility expenditure savings until the investment costs of implementing the ECSMs are paid in full, and thereafter may retain one-half of the utility expenditure savings over the remaining useful life of the ECSMs. Such retained utility expenditure savings shall be from funds appropriated or allocated for utility costs to such agency.

(2) Agencies Departments and agencies able to demonstrate net savings from implementing ECSMs which were initiated by the agency prior to June 29, 2001 June 30, 2015, may retain all of the utility expenditure savings for the useful life of the ECSMs. Such retained utility expenditure savings shall be from funds appropriated or allocated for utility costs to such agency.

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§256. Compliance

An A department or agency failing to comply with the provisions of this Part shall file a report with the division of administration and the Joint Legislative Committee on the Budget stating the reasons it is unable to comply. The commissioner of administration shall withhold from the appropriations of any agency failing to comply with the provisions of this Part an amount equal to five percent of the amount appropriated to the agency for energy costs only if approved by the Joint Legislative Committee on the Budget. The commissioner of administration shall release any amounts withheld upon an agency's compliance with the provisions of this Part less the amount used by the division of administration for collecting energy data from the non-complying agency. The use and expenditure of such amounts by the division of administration are subject to approval by the Joint Legislative Committee on the Budget.

Section 2. This Act shall become effective on January 1, 2016.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB Draft

2015 Regular Session

Abstract: Provides a means by which energy and water usage statistics shall be made available to the public and for the implementation of cost savings measures for certain state buildings.

<u>Present law</u> provides for the reporting of energy usage statistics for state-owned buildings.

<u>Proposed law</u> changes <u>present law</u> to require reporting for metered state-owned buildings and expands reporting to include water usage statistics.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

<u>Present law</u> requires the division of administration to develop an energy cost index by which to identify outliers.

<u>Proposed law</u> requires the division of administration to monitor water and energy usage statistics reported by divisions and agencies in order to identify outliers.

<u>Present law</u> requires the division of administration to conduct, or cause to be conducted, detailed bill assessments and energy audits on state buildings and facilities with identified elevated energy use or costs.

<u>Proposed law</u> retains <u>present law</u> and expands the scope of assessments and audits to include water usage. Such audits shall be required once two years' data has been accumulated.

Effective Jan. 1, 2016.

(Amends R.S. 39:251, 252, 253(A), (B), and (C), 254(B)(1) and (2), and 256)