GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL DRH40128-TQ-2A

Short Title:	Efficient Government Buildings & Savings Act.	(Public)
Sponsors:	Representatives Szoka, Arp, Humphrey, and Ross (Primary Sponsors).	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO SAVE NORTH CAROLINA TAXPAYER DOLLARS BY REQUIRING REDUCTIONS IN ENERGY AND WATER CONSUMPTION IN PUBLIC BUILDINGS BY 2025.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-64.12 reads as rewritten:

"**§ 143-64.12. Authority and duties of the Department; State agencies and State institutions of higher learning.**

(a) The Department of Environmental Quality through the State Energy Office shall develop a comprehensive program to manage energy, water, and other utility use for State agencies and State institutions of higher learning and shall update this program annually. Each State agency and State institution of higher learning shall develop and implement a management plan that is consistent with the State's comprehensive program under this subsection to manage energy, water, and other utility use, and that addresses any findings or recommendations resulting from the energy audit required by subsection (b1) of this section. The energy consumption per gross square foot for all State buildings in total shall be reduced by twenty percent (20%) by ~~2010 and~~ 2010, thirty percent (30%) by ~~2015~~ 2015, and forty percent (40%) by 2025 based on energy consumption for the 2002-2003 fiscal year. Each State agency and State institution of higher learning shall update its management plan ~~biennially~~ annually and include strategies for supporting the energy consumption reduction requirements under this subsection. Each community college shall submit to the State Energy Office ~~a biennial~~ an annual written report of utility consumption and costs. Management plans submitted ~~biennially~~ annually by State institutions of higher learning shall include all of the following:

…

(j) The State Energy Office shall submit a report by December 1 of every ~~odd-numbered~~ year to the Joint Legislative Energy Policy Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Fiscal Research Division describing the comprehensive program to manage energy, water, and other utility use for State agencies and State institutions of higher learning required by subsection (a) of this section. The report shall also contain the following:

(1) A comprehensive overview of how State agencies and State institutions of higher learning are managing energy, water, and other utility use and achieving efficiency gains.

(2) Any new measures that could be taken by State agencies and State institutions of higher learning to achieve greater efficiency gains, including any changes in general law that might be needed.

(3) A summary of the State agency and State institutions of higher learning management plans required by subsection (a) of this section and the energy audits required by subsection (b1) of this section.

(4) A list of the State agencies and State institutions of higher learning that did and did not submit management plans required by subsection (a) of this section and a list of the State agencies and State institutions of higher learning that received an energy audit.

(5) Any recommendations on how management plans can be better managed and implemented."

SECTION 2. G.S. 143-64.17 reads as rewritten:

"**§ 143-64.17. Definitions.**

As used in this Part:

(1) "Energy conservation measure" means a facility or meter alteration, training, or services related to the operation of the facility or meter, when the alteration, training, or services provide anticipated energy savings or ~~capture lost~~ generate revenue. Energy conservation measure includes any of the following:

a. Insulation of the building structure and systems within the ~~building.~~building, including proper air and duct sealing of all applicable areas in the building.

b. Storm windows or doors, caulking, weatherstripping, multiglazed windows or doors, heat-absorbing or heat-reflective glazed or coated window or door systems, additional glazing, reductions in glass area, or other window or door system modifications that reduce energy consumption.

c. Automatic energy control systems.

d. Heating, ventilating, or air-conditioning system modifications or replacements.

e. Replacement or modification of lighting fixtures to increase the energy efficiency of a lighting system without increasing the overall illumination of a facility, unless an increase in illumination is necessary to conform to the applicable State or local building code or is required by the light system after the proposed modifications are made.

f. Energy recovery systems.

g. Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings.

h. Repealed by Session Laws 2006-190, s. 2, effective August 3, 2006, and applicable to contracts entered into or renewed on or after that date.

i. Faucets with automatic or metered shut-off valves, leak detection equipment, water meters, water recycling equipment, and wastewater recovery systems.

j. Other energy conservation measures that conserve energy, water, or other utilities.

k. Building analytics systems that allow for advanced software utilizing statistical modeling and machine learning, whether supervised or unsupervised, to establish data-driven benchmarks, predict future energy performance, and find additional energy savings opportunities.

(2) "Energy savings" means a measured reduction in fuel costs, energy costs, water costs, stormwater fees, other utility costs, or operating costs, including

environmental discharge fees, water and sewer maintenance fees, and increased meter accuracy, created from the implementation of one or more energy conservation measures when compared with an established baseline of previous costs, including ~~captured lost~~ generated revenues, developed by the governmental unit.

…."

SECTION 3. G.S. 143-135.37 reads as rewritten:

"**§ 143-135.37. Energy and water use standards for public major facility construction and renovation projects; verification and reporting of energy and water use.**

…

(b) Energy-Efficiency Standard. – For every major facility construction project of a public agency, the building shall be designed and constructed so that the calculated energy consumption is at least ~~thirty percent (30%)~~ forty percent (40%) less than the energy consumption for the same building as calculated using the energy-efficiency standard in ASHRAE 90.1-2004. For every major facility renovation project of a public agency, the renovated building shall be designed and constructed so that the calculated energy consumption is at least ~~twenty percent (20%)~~ thirty percent (30%) less than the energy consumption for the same renovated building as calculated using the energy-efficiency standard in ASHRAE 90.1-2004. For the purposes of this subsection, any exception or special standard for a specific type of building found in ASHRAE 90.1-2004 is included in the ASHRAE 90.1-2004 standard.

(c) Indoor Potable Water Use Standard. – For every major facility construction or renovation project of a public agency, the water system shall be designed and constructed so that the calculated indoor potable water use is at least ~~twenty percent (20%)~~ thirty percent (30%) less than the indoor potable water use for the same building as calculated using the fixture performance requirements related to plumbing under the 2006 North Carolina State Building Code.

…."

SECTION 4.(a) Each State agency and State institution of higher learning shall, no later than May 31, 2020, conduct a preliminary practicality and economic feasibility analysis of implementing energy conservation measures for all buildings greater than 20,000 square feet in size and that have been in use for more than 10 years. Energy conservation measures are deemed to be economically feasible if the resulting energy savings will cover the cost of implementing the measures within 10 years. Each State agency and State institution of higher learning shall submit its findings to the State Energy Office. If the agency or institution of higher learning determines that it is not practical or economically feasible to implement energy conservation measures, the agency or institution of higher learning shall include findings of fact supporting that determination in the findings it submits to the State Energy Office. If the State agency or State institution of higher learning determines that it is practical and economically feasible to implement energy conservation measures, the agency or institution of higher learning shall do so. The energy conservation measures may be achieved by issuing a request for proposal for a guaranteed energy savings contract for all covered buildings owned by the agency or institution of higher learning. If the agency or institution of higher learning issues a request for proposal for a guaranteed energy savings contract for one or more buildings, the agency or institution of higher learning shall issue the request for proposal no later than December 31, 2020. The agency or institution of higher learning shall follow the process provided in Part 2 of Article 3B of Chapter 143 of the General Statutes. The definitions provided in G.S. 143-64.17 shall apply for purposes of this section.

SECTION 4.(b) No later than May 31, 2025, each State agency and State institution of higher learning shall repeat the process set forth in subsection (a) of this section for all buildings greater than 10,000 square feet in size and that have been in use for more than 10 years. If the agency or institution of higher learning issues a request for proposal for a guaranteed energy

savings contract for one or more buildings, the agency or institution of higher learning shall issue the request for proposal no later than December 31, 2025.

S**ECTION 4.(c)** This section shall not apply to any building for which a practicality and economic feasibility analysis of implementing energy conservation measures has been conducted within three years prior to the effective date of this section.

SECTION 4.(d) This section is effective when it becomes law. This section shall not be interpreted to prohibit any State agency or State institution of higher learning from issuing any request for proposal for a guaranteed energy savings contract.

SECTION 5. Sections 4.2.(a) and 4.2.(b) of S.L. 2017-10 are repealed.

SECTION 6. Except as otherwise provided, this act is effective when it becomes law.