

FIRST REGULAR SESSION

SENATE BILL NO. 126

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOUGH.

Pre-filed December 1, 2018, and ordered printed.

ADRIANE D. CROUSE, Secretary.

0619S.011

AN ACT

To repeal section 8.231, RSMo, and to enact in lieu thereof one new section relating to energy savings.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 8.231, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 8.231, to read as follows:

8.231. 1. For purposes of this section, the following terms shall mean:

(1) "Energy cost savings measure", a training program or facility alteration, **improvement, modernization, system replacement, or building replacement** designed to reduce energy consumption or operating costs, and may include one or more of the following:

(a) Insulation of the building structure or systems within the building **and including roofing, exterior building, envelope, and piping;**

(b) Storm windows or doors, caulking or weather stripping, multiglazed windows or doors, heat absorbing or heat reflective glazed and coated window or door systems, additional glazing reductions in glass area, or other window and door system modifications that reduce energy consumption;

(c) Automated or computerized energy control system;

(d) Heating, ventilating or air conditioning system modifications or replacements;

(e) **Domestic water, sewer, and domestic hot water system improvements;**

(f) **Indoor swimming pool improvements;**

(g) Replacement or modification of lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

20 facility, unless an increase in illumination is necessary to conform to the
21 applicable state or local building code for the lighting system after the proposed
22 modifications are made;

23 [(f)] **(h)** Indoor air quality improvements to increase air quality that
24 conforms to the applicable state or local building code requirements;

25 [(g)] **(i)** Energy recovery systems;

26 [(h)] **(j)** Cogeneration systems that produce steam or forms of energy
27 such as heat, as well as electricity, for use primarily within a building or complex
28 of buildings;

29 [(i)] **(k)** Any life safety measures that provide long-term operating cost
30 reductions and are in compliance with state and local codes;

31 [(j)] **(l) Any security or safety improvements that provide long**
32 **term operating cost reduction and improve the safety of the building**
33 **occupants;**

34 **(m)** Building operation programs that reduce the operating costs; or

35 [(k)] **(n)** Any life safety measures related to compliance with the
36 Americans With Disabilities Act, 42 U.S.C. Section 12101, et seq., that provide
37 long-term operating cost reductions and are in compliance with state and local
38 codes;

39 (2) "Governmental unit", a state government agency, department,
40 institution, college, university, technical school, legislative body or other
41 establishment or official of the executive, judicial or legislative branches of this
42 state authorized by law to enter into contracts, including all local political
43 subdivisions such as counties, municipalities, public school districts or public
44 service or special purpose districts;

45 (3) "Guaranteed energy cost savings contract", a contract for the
46 implementation of one or more such measures. The contract shall provide that
47 all payments, except obligations on termination of the contract before its
48 expiration, are to be made over time and the energy cost savings are guaranteed
49 to the extent necessary to make payments for the systems. Guaranteed energy
50 cost savings contracts shall be considered public works contracts to the extent
51 that they provide for capital improvements [to existing facilities];

52 (4) "Operational savings", expenses eliminated and future replacement
53 expenditures avoided as a result of new **facilities, systems, and** equipment
54 installed or services performed;

55 (5) "Qualified provider", a person or business experienced in the design,

56 implementation and installation of energy cost savings measures;

57 (6) "Request for proposals" or "RFP", a negotiated procurement.

58 2. No governmental unit shall enter into a guaranteed energy cost savings
59 contract until competitive proposals therefor have been solicited by the means
60 most likely to reach those contractors interested in offering the required services,
61 including but not limited to direct mail solicitation, electronic mail and public
62 announcement on bulletin boards, physical or electronic. The request for proposal
63 shall include the following:

64 (1) The name and address of the governmental unit;

65 (2) The name, address, title and phone number of a contact person;

66 (3) The date, time and place where proposals shall be received;

67 (4) The evaluation criteria for assessing the proposals; and

68 (5) Any other stipulations and clarifications the governmental unit may
69 require.

70 3. The governmental unit shall award a contract to the qualified provider
71 that provides the lowest and best proposal which meets the needs of the unit if
72 it finds that the amount it would spend on the energy cost savings measures
73 recommended in the proposal would not exceed the amount of energy or
74 operational savings, or both, within a [~~fifteen-year~~] **twenty-five-year** period
75 from the date installation is complete, if the recommendations in the proposal are
76 followed. The governmental unit shall have the right to reject any and all [~~bids~~]
77 **proposals**.

78 4. The guaranteed energy cost savings contract shall include a written
79 guarantee of the qualified provider that either the energy or operational cost
80 savings, or both, will meet or exceed the costs of the energy cost savings
81 measures, adjusted for inflation, within [~~fifteen~~] **twenty-five** years. The
82 qualified provider shall reimburse the governmental unit for any shortfall of
83 guaranteed energy cost savings on an annual basis. The guaranteed energy cost
84 savings contract may provide for payments over a period of time, not to exceed
85 [~~fifteen~~] **twenty-five** years, **or the expected life of any equipment or**
86 **systems**, subject to appropriation of funds therefor.

87 5. The governmental unit shall include in its annual budget and
88 appropriations measures for each fiscal year any amounts payable under
89 guaranteed energy savings contracts during that fiscal year.

90 6. A governmental unit may use designated funds for any guaranteed
91 energy cost savings contract including purchases using installment payment

92 contracts or lease purchase agreements, so long as that use is consistent with the
93 purpose of the appropriation.

94 7. Notwithstanding any provision of this section to the contrary, a
95 not-for-profit corporation incorporated pursuant to chapter 355 and operating
96 primarily for educational purposes in cooperation with public or private schools
97 shall be exempt from the provisions of this section.

✓

Unofficial

Bill

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